



**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 corporation incorporated 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 corporation incorporated in California, United States)*

**€50,000,000,000**

**Euro Medium Term Note Programme**

*for the issue of Notes with maturities of one month or longer*

Under this €50,000,000,000 Euro Medium Term Note Programme (the “*Programme*”) each of Toyota Motor Finance (Netherlands) B.V. (“*TMF*”), Toyota Credit Canada Inc. (“*TCCI*”), 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).

The senior long-term debt of the Issuers has been rated Aa3/Outlook Stable by Moody’s Japan K.K. (“*Moody’s Japan*”) (in respect of TMF, TCCI and TFA), by Moody’s Investors Service, Inc. (“*Moody’s*”) (in respect of TMCC), and AA-/Outlook Stable by Standard & Poor’s Ratings Japan K.K. (“*Standard & Poor’s Japan*”) (in respect of all of the Issuers). Moody’s Japan, Moody’s and Standard & Poor’s Japan are not established in the European Union and have not applied for registration under Regulation (EC) No. 1060/2009 (the “*CRA Regulation*”). However, Moody’s Investors Service Ltd. has endorsed the ratings of Moody’s Japan and Moody’s, and Standard and Poor’s Credit Market Services Europe Limited has endorsed the ratings of Standard & Poor’s Japan, in accordance with the CRA Regulation. Each of Moody’s Investors Service Ltd. and Standard and Poor’s Credit Market Services Europe Limited is established in the European Union and is registered under the CRA Regulation.

Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will be specified in the applicable Final Terms and its rating will not necessarily be the same as the rating applicable to the senior long-term debt of the Issuers. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under CRA Regulation will be disclosed in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

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 the Prospectus Directive (as defined below) for the purpose of giving information with regard to the Notes issued under the Programme during the period of twelve months from the date of this Prospectus. References throughout this document to “*Prospectus*” shall be taken to read “*Base Prospectus*” for such purpose. The Prospectus has been approved by the Central Bank of Ireland, as competent authority for the purposes of the Prospectus Directive (as defined below). The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC (the “*Markets in Financial Instruments Directive*”) and/or which are to be offered to the public in any Member State of the European Economic Area.

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 (collectively the “*TMC Credit Support Agreement*”), each governed by Japanese law, with Toyota Financial Services Corporation (“*TFS*”), a holding company which oversees the management of Toyota’s finance companies worldwide, 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. TMC’s obligations under the TMC Credit Support Agreement rank *pari passu* with its direct, unconditional, unsubordinated and unsecured debt obligations. 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 €50,000,000,000 (or its equivalent in other currencies) calculated as described in this Prospectus.

The Notes will be issued to, and offered through, one or more of the Dealers specified on page 193 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 will be made to the Financial Conduct Authority in its capacity as competent authority (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 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 the Markets in Financial Instruments Directive.

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.

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

**Arranger**  
**BofA Merrill Lynch**  
**Dealers**

**ANZ**  
**BMO Capital Markets**  
**BofA Merrill Lynch**  
**Citigroup**  
**Daiwa Capital Markets Europe**  
**J.P. Morgan**  
**Mizuho Securities**  
**MUFG**  
**RBC Capital Markets**  
**TD Securities**

**Barclays**  
**BNP PARIBAS**  
**CIBC**  
**Crédit Agricole CIB**  
**HSBC**  
**Lloyds Bank**  
**Morgan Stanley**  
**Nomura**  
**SMBC Nikko**

## IMPORTANT INFORMATION

Unless otherwise specified, all references in this Prospectus to the “*Prospectus Directive*” refer to Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and include any relevant implementing measure (for the purpose of this Prospectus, the Terms and Conditions of the Notes set forth in this Prospectus and the Final Terms for each Tranche of Notes) in the relevant Member State.

The Base Prospectus in respect of TMF (the “*TMF Base Prospectus*”) includes all information contained within this Prospectus together with all documents which are deemed to be incorporated herein by reference, except for (i) the Annual Financial Reports of each of TCCI and TFA and TMCC’s Annual Report and TMCC’s Quarterly Report under paragraphs (b), (c) and (d), respectively, of “*Documents Incorporated by Reference*” and (ii) the Description of TCCI, TFA and TMCC and the Selected Financial Information of TCCI, TFA and TMCC sections of this Prospectus on pages 133 to 157 and the summary thereof contained in the “Summary of the Programme”.

The Base Prospectus in respect of TCCI (the “*TCCI Base Prospectus*”) includes all information contained within this Prospectus together with all documents which are deemed to be incorporated herein by reference, except for (i) the Annual Financial Reports of each of TMF and TFA and TMCC’s Annual Report and TMCC’s Quarterly Report under paragraphs (a), (c) and (d), respectively, of “*Documents Incorporated by Reference*” and (ii) the Description of TMF, TFA and TMCC and the Selected Financial Information of TMF, TFA and TMCC sections of this Prospectus on pages 130 to 132 and pages 137 to 157 and the summary thereof contained in the “Summary of the Programme”.

The Base Prospectus in respect of TFA (the “*TFA Base Prospectus*”) includes all information contained within this Prospectus together with all documents which are deemed to be incorporated herein by reference, except for (i) the Annual Financial Reports of each of TMF and TCCI and TMCC’s Annual Report and TMCC’s Quarterly Report under paragraphs (a), (b) and (d), respectively, of “*Documents Incorporated by Reference*” and (ii) the Description of TMF, TCCI and TMCC and the Selected Financial Information of TMF, TCCI and TMCC sections of this Prospectus on pages 130 to 136 and pages 144 to 157 and the summary thereof contained in the “Summary of the Programme”.

The Base Prospectus in respect of TMCC (the “*TMCC Base Prospectus*”) includes all information contained within this Prospectus together with all documents which are deemed to be incorporated herein by reference, except for (i) the Annual Reports of each of TMF, TCCI and TFA under paragraphs (a), (b) and (c) of “*Documents Incorporated by Reference*” and (ii) the Description of TMF, TFA and TCCI and the Selected Financial Information of TMF, TFA and TCCI sections of this Prospectus on pages 130 to 143 and the summary thereof contained in the “Summary of the Programme”.

TMF accepts responsibility for the information contained in the TMF Base Prospectus, TCCI accepts responsibility for the information contained in the TCCI Base Prospectus, TFA accepts responsibility for the information contained in the TFA Base Prospectus and TMCC accepts responsibility for the information contained in the TMCC Base Prospectus. To the best of the knowledge of (i) TMF with respect to the TMF Base Prospectus, (ii) TCCI with respect to the TCCI Base Prospectus, (iii) TFA with respect to the TFA Base Prospectus and (iv) TMCC with respect to the TMCC Base Prospectus (which has taken all reasonable care to ensure that such is the case), the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information.

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 (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.

Notice of the aggregate nominal amount of Notes, the interest (if any) payable in respect of Notes and the issue price of Notes 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 or market 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.

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 the date from which interest starts to accrue 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.

Each of TCCI and TMCC, subject to applicable laws and regulations, may agree to issue Notes in registered form (“*Registered Notes*”), in the case of TCCI, substantially in the form scheduled to the TCCI Note Agency Agreement (as defined under “*Terms and Conditions of the Notes*”) and, in the case of TMCC, substantially in the form scheduled to the TMCC Note Agency Agreement (as defined under “*Terms and Conditions of the Notes*”). With respect to each Tranche of Registered Notes issued by TCCI, TCCI has appointed a transfer agent and registrar and a paying agent and may appoint other or additional transfer agents and paying agents either generally or in respect of a particular Series of Registered Notes. With respect to each Tranche of Registered Notes issued by TMCC, TMCC has appointed a transfer agent and registrar and a paying agent and may appoint other or additional transfer agents and paying agents either generally or in respect of a particular Series of Registered Notes.

In the case of Notes to be admitted to the Official List and admitted to trading on the London Stock Exchange’s Regulated Market, copies of the Final Terms will be delivered to the Central Bank of Ireland, the UK Listing Authority and the London Stock Exchange and will be available at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html). Copies of the Final Terms will also 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) save that, if a Tranche of Notes 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, the applicable Final Terms will only be obtainable by a holder holding one or more of such Notes and such holder must produce evidence satisfactory to the Agent as to its holding of such Notes and identity.

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) 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 the 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 Article 16 of the Prospectus Directive, 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 Central Bank of Ireland, and shall otherwise comply with Article 16 of the Prospectus Directive in that regard.

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 or incorporated by reference into 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 or incorporated by reference into 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 in or incorporated by reference into this Prospectus 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.

## **IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF NOTES**

### **Restrictions on Non-exempt offers of Notes in Relevant Member States**

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a “*Non-exempt Offer*”. This Prospectus has been prepared on a basis that permits Non-exempt Offers of Notes. However, any person making or intending to make a Non-exempt Offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “*Relevant Member State*”) may only do so if this Prospectus 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) and published in accordance with the Prospectus Directive, provided that the relevant Issuer has consented to the use of its Base Prospectus in connection with such offer as provided under “*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)*” and the conditions attached to that consent are complied with by the person making the Non-exempt Offer of such Notes.

### **Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)**

In the context of a Non-exempt Offer of Notes, each Issuer accepts responsibility, in each Relevant Member State for which the consent to use its Base Prospectus extends, for the content of its Base Prospectus in relation to any person (an “*Investor*”) who purchases Notes in a Non-exempt Offer made by any person (an “*offeror*”) to whom the relevant Issuer has given consent to the use of its Base Prospectus in that connection, provided that the conditions attached to that consent are complied with by the relevant offeror (an “*Authorised Offeror*”). The consent and conditions attached to it are set out below.

Neither the relevant Issuer nor any Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and neither the relevant Issuer nor any of the Dealers has any responsibility or liability for the actions of that Authorised Offeror.

Except in the circumstances set out in the following paragraphs, neither the relevant Issuer nor any Dealer has authorised the making of any Non-exempt Offer by any person and the relevant Issuer has not consented to the use of its Base Prospectus by any other person in connection with any Non-exempt Offer of Notes. Any Non-exempt Offer made without the consent of the relevant Issuer is unauthorised and neither the relevant Issuer nor any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer. If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person who is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for the relevant Issuer’s Base Prospectus in the context of the Non-exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the relevant Issuer’s Base Prospectus and/or who is responsible for its contents it should take legal advice.

In connection with each Tranche of Notes, and provided that the applicable Final Terms specifies an Offer Period, each Issuer consents to the use of its Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Notes subject to the following conditions:

- (i) the consent is only valid during the Offer Period so specified;
- (ii) the only offerors authorised to use the relevant Issuer's Base Prospectus to make the Non-exempt Offer of the relevant Tranche of Notes are the relevant Dealer and:
  - (a) if the applicable Final Terms names financial intermediaries authorised to make such Non-exempt Offers, the financial intermediaries so named; and/or
  - (b) if specified in the applicable Final Terms, any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive and which has been authorised directly or indirectly by the relevant Issuer or any of the Managers (on behalf of the relevant Issuer) to make such offers, provided that such financial intermediary states on its website (I) that it has been duly appointed as a financial intermediary to offer the relevant Tranche of Notes during the Offer Period, (II) it is relying on the relevant Issuer's Base Prospectus for such Non-exempt Offer with the consent of the relevant Issuer and (III) the conditions attached to that consent;
- (iii) the consent only extends to the use of the relevant Issuer's Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in each Public Offer Jurisdiction (as defined below) specified in paragraph 9 of Part B of the applicable Final Terms; and
- (iv) the consent is subject to any other conditions set out in paragraph 9 of Part B of the applicable Final Terms.

**Any offeror falling within sub-paragraph (ii)(b) above who meets all of the other conditions stated above and who wishes to use the relevant Issuer's Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website (i) that it has been duly appointed as a financial intermediary to offer the relevant Tranche of Notes during the Offer Period, (ii) it is relying on the relevant Issuer's Base Prospectus for such Non-exempt Offer with the consent of the relevant Issuer and (iii) the conditions attached to that consent. The consent referred to above relates to Offer Periods occurring within twelve months from the date of this Prospectus.**

The Issuers may request the Central Bank of Ireland to provide a certificate of approval in accordance with Article 18 of the Prospectus Directive (a "*passport*") in relation to the passporting of this Prospectus to the competent authorities of Austria, Belgium, Germany, Italy, Luxembourg, the Netherlands, Spain and the United Kingdom (the "*Host Member States*" and, together with Ireland, the "*Public Offer Jurisdictions*"). Even if the Issuers passport this Prospectus into the Host Member States, it does not mean that the relevant Issuer will choose to consent to any Non-exempt Offer in any such Public Offer Jurisdiction. Investors should refer to the Final Terms for any issue of Notes for the Public Offer Jurisdictions the relevant Issuer may have selected as such Notes may only be offered to Investors as part of a Non-exempt Offer in the Public Offer Jurisdictions specified in the applicable Final Terms.

**AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. THE RELEVANT ISSUER WILL NOT BE A PARTY TO ANY SUCH TERMS AND ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THE RELEVANT ISSUER'S BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE RELEVANT AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NEITHER THE RELEVANT ISSUER NOR**



**ANY DEALER (EXCEPT WHERE SUCH DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.**

Save as provided above, no Issuer nor any Dealer has authorised, nor do they authorise, the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for the relevant Issuer or any Dealer to publish or supplement a prospectus for such offer.

**IMPORTANT INFORMATION RELATING TO THE USE OF THIS PROSPECTUS  
AND OFFERS OF NOTES GENERALLY**

**Notes which are the subject of a Non-exempt Offer and/or admitted to trading on a regulated market within the European Economic Area shall be issued with a minimum denomination of €1,000 (or its equivalent in any other currency).**

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 the United Kingdom, the Netherlands, Ireland and Spain), Japan, Canada, Australia, New Zealand, the People's Republic of China ("PRC" (which for the purposes of Notes issued under the Programme, excludes the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan)), Hong Kong, Singapore and Switzerland (see "*Subscription and Sale*").

None of the Issuers or the Dealers represent 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 assume 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 Central Bank of Ireland) which is intended to permit a public offering of any Notes 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.

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*").

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 consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has 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) has 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) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;

- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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.

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 (including the Parent and TFS) in the ordinary course of business.

Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act 2001 of Australia (the “*Australian Corporations Act*”) and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located.

## PRESENTATION OF INFORMATION

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*”, “*AUD*” and “*A\$*” refer to the currency of Australia, those to “*Japanese Yen*”, “*Japanese yen*”, “*JPY*” and “*¥*” refer to the currency of Japan, those to “*Renminbi*”, “*RMB*” and “*CNY*” refer to the lawful currency of the PRC, those to “*EUR*”, “*Euro*”, “*euro*” and “*€*” refer to the lawful currency of the Member States of the European Union that adopt or have adopted the single currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended and those to “*Sterling*”, “*British pound*”, “*Pounds Sterling*”, “*GBP*” and “*£*” refer to the currency of the United Kingdom.

Unless the source is otherwise stated, the market, economic and industry data in this Prospectus about each of the Issuers, TMC and TFS constitutes the relevant Issuer’s, TMC’s and TFS’s estimates, respectively, using underlying data from various industry sources where appropriate. Each Issuer accepts responsibility for the market, economic and industry data contained in this Prospectus. The market, economic and industry data has been extracted from various industry and other independent and public 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. Each 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 any such industry and other independent and public sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## STABILISATION

**In connection with the issue of any Tranche of Notes, any Dealer or Dealers acting as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions, outside Australia and New Zealand respectively and not on a market operated in Australia or New Zealand respectively, 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

Summaries are made up of disclosure requirements known as ‘Elements’. These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for the Notes, the Issuers and the Credit Support Providers. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities, issuers and credit support providers, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Summary with the mention of ‘Not Applicable’.

### Section A – Introduction and warnings

Element	Title	
A.1	Warning	<b>This Summary must be read as an introduction to the Prospectus and the applicable Final Terms. Any decision to invest in any Notes should be based on a consideration of the Prospectus as a whole, including any documents incorporated by reference, and the applicable Final Terms. Where a claim relating to information contained in the Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Prospectus and the applicable Final Terms before the legal proceedings are initiated. No civil liability will attach to any Issuer, Toyota Financial Services Corporation (“TFS”) or Toyota Motor Corporation (“TMC”) in any such Member State solely on the basis of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the relevant Issuer’s Base Prospectus and the applicable Final Terms or it does not provide, when read together with the other parts of the relevant Issuer’s Base Prospectus and the applicable Final Terms, key information (as defined in Article 2.1(s) of the Prospectus Directive 2003/71/EC, as amended, including by Directive 2010/73/EU) in order to aid investors when considering whether to invest in the Notes.</b>
A.2	Consent to use of the relevant Issuer’s Base Prospectus	Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a “ <i>Non-exempt Offer</i> ”. [Not Applicable]/[The Issuer consents to the use of its Base Prospectus (that is all information in the Prospectus, except for information relating to any of the other Issuers) in connection with a Non-exempt Offer of Notes subject to the following conditions:
		(i) the consent is only valid during the Offer Period specified in paragraph 9 of Part B of the applicable Final Terms;
		(ii) the only offerors authorised to use the Issuer’s Base Prospectus to make the Non-exempt Offer of the Notes are the relevant Dealers [ ] (the “ <i>Managers</i> ”, and each an “ <i>Authorised Offeror</i> ”) and: [(a) the financial intermediaries named in paragraph 9 of Part B of the applicable Final Terms (the “ <i>Placers</i> ”, and each an “ <i>Authorised Offeror</i> ”); and/or

		(b) any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive 2004/39/EC and which has been authorised directly or indirectly by [the Issuer or]/[any of the Managers (on behalf of the Issuer)] to make such offers, provided that such financial intermediary states on its website (I) that it has been duly appointed as a financial intermediary to offer the Notes during the Offer Period, (II) it is relying on the Issuer's Base Prospectus for such Non-exempt Offer with the consent of the Issuer and (III) the conditions attached to that consent (the " <i>Placers</i> ", and each an " <i>Authorised Offeror</i> ");]
		(iii) the consent only extends to the use of the Issuer's Base Prospectus to make Non-exempt Offers of the Notes in [ ] as specified in paragraph 9 of Part B of the applicable Final Terms; and
		(iv) the consent is subject to any other conditions set out in paragraph 9 of Part B of the applicable Final Terms.]
		<b>[Any offeror falling within sub-paragraph (ii)(b) above who meets all of the other conditions stated above and wishes to use the Issuer's Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the Offer Period, to publish on its website (i) that it has been duly appointed as a financial intermediary to offer the Notes during the Offer Period, (ii) it is relying on the Issuer's Base Prospectus for such Non-exempt Offer with the consent of the Issuer and (iii) the conditions attached to that consent. The consent referred to above relates to Offer Periods occurring within twelve months from the date of the Prospectus.</b>
		The Issuer accepts responsibility, in each relevant Member State for which the consent to use its Base Prospectus extends, for the content of its Base Prospectus in relation to any investor who purchases Notes in a Non-exempt Offer made by any person (an " <i>offeror</i> ") to whom the Issuer has given consent to the use of its Base Prospectus in that connection in accordance with the preceding paragraphs, provided that the conditions attached to that consent are complied with by the relevant offeror.
		<b>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH TERMS AND ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THE ISSUER'S BASE PROSPECTUS AND THE APPLICABLE FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE RELEVANT AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NEITHER THE ISSUER NOR ANY MANAGER OR DEALER (EXCEPT WHERE SUCH MANAGER OR DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.]</b>

## Section B – Issuers and Credit Support Providers

Element	Title	
B.1	Legal and commercial name of the Issuer	<p>Toyota Motor Finance (Netherlands) B.V. (“<i>TMF</i>”)/</p> <p>Toyota Credit Canada Inc. (“<i>TCCI</i>”)/</p> <p>Toyota Finance Australia Limited (ABN 48 002 435 181) (“<i>TFA</i>”)/</p> <p>Toyota Motor Credit Corporation (“<i>TMCC</i>”)</p>
B.2	Domicile/ legal form/ legislation/ country of incorporation	<p>If the Issuer is TMF, TMF is a private company with limited liability incorporated and domiciled in the Netherlands under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands.</p> <p>If the Issuer is TCCI, TCCI is a corporation incorporated under the Canada Business Corporations Act.</p> <p>If the Issuer is TFA, TFA is a public company limited by shares incorporated under the Corporations Act 2001 of Australia (the “<i>Australian Corporations Act</i>”) and domiciled in New South Wales, Australia.</p> <p>If the Issuer is TMCC, TMCC is a corporation incorporated and domiciled in California, United States under the laws of the State of California.</p>
B.4b	Trend information	<p>Not Applicable with respect to TMF and TFA; there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of the Issuer for the current financial year.</p> <p>Applicable if the Issuer is TCCI:</p> <ul style="list-style-type: none"> <li>prices of used vehicles have remained at recent high levels during fiscal 2015. There can be no assurance that future prices of used vehicles will remain high, and a decline in such prices may have an adverse effect on lease termination losses, residual value provisions and net write-offs.</li> </ul> <p>Applicable if the Issuer is TMCC:</p> <ul style="list-style-type: none"> <li>used vehicle prices remained strong in the first quarter of fiscal 2016, but deteriorated slightly. Used vehicle prices fluctuated during fiscal 2015, but remained strong. There can be no assurance that future prices of used vehicles will remain high, and a decline in such prices may have an adverse effect on depreciation expense, credit losses and return rates;</li> <li>the level of lease maturities decreased in fiscal 2015 compared to the level of lease maturities in fiscal 2014, which reflects higher leasing and related programmes from prior years. TMCC’s lease volume currently includes a greater volume of shorter term leases. This trend could affect vehicle return rates, residual value risk and increase depreciation expense; and</li> <li>during the first quarter of fiscal 2016, default frequency and delinquencies increased while loss severity and net charge-off rates declined as compared to fiscal 2015. During fiscal 2015 loss severity, default frequency, delinquencies and net charge-off rates increased compared with fiscal 2014 levels. Changes in economic condition and the supply of new and used vehicles may adversely affect TMCC’s delinquencies, credit losses, return rates and provision for credit losses.</li> </ul>
B.5	Description of the Group	<p>If the Issuer is TMF, TCCI or TFA, the Issuer is a wholly-owned subsidiary of TFS, a Japanese corporation.</p> <p>If the Issuer is TMCC, TMCC is a wholly-owned subsidiary of Toyota Financial Services Americas Corporation (“<i>TFSA</i>”), a California corporation which itself is a wholly-owned subsidiary of TFS.</p> <p>TFS is a wholly-owned holding company subsidiary of TMC, a Japanese corporation and the ultimate parent company of the Toyota group.</p>
B.9	Profit forecast or estimate	Not Applicable; there are no profit forecasts or estimates made in the Prospectus.

B.10	Audit report qualifications	Not Applicable; there are no qualifications in the audit report(s) on the audited financial statements for the financial years ended 31 March 2015 and 31 March 2014.
B.12	Selected historical key financial information	
	<b>If the Issuer is TMF</b>	The selected financial information set forth below has been extracted without material adjustment from the audited financial statements in the Annual Financial Report of TMF for the financial year ended 31 March 2015, prepared in accordance with International Financial Reporting Standards as adopted by the European Union.
<b>Statements of Financial Position as at 31 March</b>		
	31 March 2015	31 March 2014
	(€'000)	(€'000)
<b>Assets</b>		
<b>Current assets</b>		
Loans to related companies .....	3,881,905	2,205,679
Other receivables .....	86,715	223,581
Current tax assets .....	-	166
Derivative financial instruments .....	632,210	189,804
Cash and cash equivalents .....	80,625	1,390
Total current assets .....	4,681,455	2,620,620
<b>Non-current assets</b>		
Loans to related companies .....	3,151,639	3,649,478
Available-for-sale investment – related company .....	1,033	778
Property, plant and equipment .....	21	37
Intangible assets .....	1	2
Total non-current assets .....	3,152,694	3,650,295
<b>Liabilities</b>		
<b>Current liabilities</b>		
Borrowings .....	2,996,121	3,251,368
Derivative financial instruments .....	277,425	335,414
Financial guarantee liability .....	4,860	3,193
Current tax liability .....	1,722	-
Other liabilities and accrued expenses .....	465,152	39,348
Bank overdraft .....	2,536	1
Total current liabilities .....	3,747,816	3,629,324
Net current assets / (liabilities) .....	933,639	(1,008,704)
<b>Non-current liabilities</b>		
Borrowings .....	3,902,185	2,507,820
Deferred tax liabilities .....	14,431	4,845
Total non-current liabilities .....	3,916,616	2,512,665
<b>Net assets</b> .....	169,717	128,926
<b>Shareholder's equity</b>		
Equity attributable to owners of the parent		
Share capital .....	908	908
Retained earnings .....	168,531	127,995
Fair value reserve .....	278	23
<b>Total shareholder's equity</b> .....	169,717	128,926

Statements of Comprehensive Income for the years ended 31 March			
		31 March 2015	31 March 2014
		(€'000)	(€'000)
Interest income.....		99,040	97,281
Guarantee fee income .....		4,103	3,236
Revenue.....		103,143	100,517
Interest expense.....		(79,612)	(81,423)
Fee expenses .....		(7,992)	(6,176)
Cost of funding.....		(87,604)	(87,599)
Gross profit.....		15,539	12,918
Administration expenses.....		(3,962)	(3,852)
Net gains on financial instruments.....		42,397	8,595
Dividend income .....		118	89
Profit before tax .....		54,092	17,750
Taxation.....		(13,556)	(4,643)
Profit for the year .....		40,536	13,107
<b>Other comprehensive income, net of tax:</b>			
Fair value gains / (losses) on available for sale investments.....		255	(34)
Total comprehensive income for the year .....		40,791	13,073
<b>Attributable to:</b>			
<b>Owners of the parent .....</b>		<b>40,791</b>	<b>13,073</b>
		There has been no significant change in the financial position or trading position of TMF since 31 March 2015, the date of the most recently published financial statements of TMF. There has been no material adverse change in the financial position or prospects of TMF since 31 March 2015, the date of the most recently published audited financial statements of TMF.	
	<b>If the Issuer is TCCI</b>	The selected financial information set forth below has been extracted without material adjustment from the audited financial statements in the Annual Financial Report of TCCI for the financial year ended 31 March 2015, prepared in accordance with International Financial Reporting Standards.	
<b>Statements of Financial Position as at 31 March</b>			
		31 March 2015	31 March 2014
		(C\$'000)	(C\$'000)
<b>Assets</b>			
Cash and cash equivalents.....		20,534	22,169
Finance receivables – net .....		10,982,628	10,205,137
Derivative assets.....		509,519	168,082
Other assets.....		2,155	3,123
		11,514,836	10,398,511
<b>Liabilities</b>			
Cheques and other items in transit.....		715	538
Accounts payable and accrued liabilities .....		26,016	20,488
Due to affiliated company .....		132,573	121,828
Income and other taxes payable.....		9,147	13,449
Interest payable .....		31,450	33,300
Debt payable .....		9,621,361	8,730,857
Derivative liabilities .....		94,624	24,636
Collateral liabilities .....		111,900	-
Deferred taxes .....		505,998	461,962
		10,533,784	9,407,058



Statements of Financial Position as at 31 March		
	31 March 2015	31 March 2014
	(C\$'000)	(C\$'000)
<b>Shareholder's Equity</b>		
Share capital.....	60,000	60,000
Retained earnings .....	921,052	931,453
	981,052	991,453
	11,514,836	10,398,511
Statements of Income and Comprehensive Income for the years ended 31 March		
	31 March 2015	31 March 2014
	(C\$'000)	(C\$'000)
<b>Financing revenue</b> .....	566,880	541,420
<b>Other income</b> .....	810	406
	567,690	541,826
<b>Other (losses) gains</b> .....	(6,208)	15,504
<b>Expenses</b>		
Interest.....	203,863	199,046
Employee benefits.....	16,102	15,268
Provision for finance receivables.....	11,810	2,071
Other.....	3,881	4,196
Registration and search costs .....	6,370	5,871
IT and communications .....	5,579	4,975
Occupancy .....	1,033	1,111
Depreciation and amortisation.....	1,247	1,509
	249,885	234,047
<b>Income before income taxes</b> .....	311,597	323,283
<b>Income taxes</b>		
Current.....	38,295	35,035
Deferred.....	45,139	53,768
	83,434	88,803
<b>Net income for the year</b> .....	228,163	234,480
<b>Other comprehensive income (loss)</b>		
Item that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit pension plans – net of income taxes of C\$1,103 (2014 – C\$377) .....	(3,018)	1,066
<b>Comprehensive income for the year, attributable to the owner of the parent</b> .....	225,145	235,546
		There has been no significant change in the financial position or trading position of TCCI since 31 March 2015, the date of the most recently published financial statements of TCCI. There has been no material adverse change in the financial position or prospects of TCCI since 31 March 2015, the date of the most recently published audited financial statements of TCCI.
	<b>If the Issuer is TFA</b>	The selected financial information set forth below has been extracted without material adjustment from the audited consolidated financial statements in the Annual Financial Report of TFA for the financial year ended 31 March 2015, prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board as well as the Australian Corporations Act and comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Statements of Financial Position as at 31 March		
	Consolidated 31 March 2015	Consolidated 31 March 2014
	(A\$'000)	(A\$'000)
<b>Assets</b>		
Cash and cash equivalents.....	1,272,771	676,353
Loans and receivables.....	13,321,278	13,094,887
Derivative financial instruments.....	646,735	129,785
Investments accounted for using the equity method .....	65,716	66,038
Intangible assets .....	44,988	43,429
Property, plant and equipment.....	10,592	18,259
Deferred tax assets.....	28,257	27,927
Other assets.....	38,119	40,370
<b>Total assets</b> .....	<b>15,428,456</b>	<b>14,097,048</b>
<b>Liabilities</b>		
Due to banks and other financial institutions.....	5,714,816	6,417,491
Bonds and commercial paper .....	8,275,176	6,297,074
Derivative financial instruments.....	127,909	170,699
Other liabilities.....	325,221	322,048
<b>Total liabilities</b> .....	<b>14,443,122</b>	<b>13,207,312</b>
<b>Net assets</b> .....	<b>985,334</b>	<b>889,736</b>
<b>Equity</b>		
Contributed equity.....	120,000	120,000
Reserves.....	8,100	5,467
Retained earnings .....	857,234	764,269
<b>Total equity</b> .....	<b>985,334</b>	<b>889,736</b>
Statements of Comprehensive Income for the years ended 31 March		
	Consolidated 31 March 2015	Consolidated 31 March 2014
	(A\$'000)	(A\$'000)
Interest and similar revenue .....	842,958	858,576
Interest expense and similar charges.....	(454,011)	(503,551)
<b>Net financing income</b> .....	<b>388,947</b>	<b>355,025</b>
Other income.....	31,992	31,186
<b>Net operating income</b> .....	<b>420,939</b>	<b>386,211</b>
Bad and doubtful debts expense .....	(86,935)	(42,987)
Employee benefits expense .....	(80,446)	(76,726)
Depreciation, amortisation and impairment expense .....	(22,835)	(18,075)
IT and communication expense.....	(9,252)	(9,461)
Sales and marketing expense.....	(9,401)	(10,705)
Occupancy .....	(5,824)	(5,992)
Other expenses .....	(17,155)	(16,736)
Share of net profits of associates accounted for using the equity method.....	8,675	9,741
<b>Profit before income tax</b> .....	<b>197,766</b>	<b>215,270</b>
Income tax expense .....	(57,050)	(61,044)
<b>Profit attributable to owners of the parent</b> .....	<b>140,716</b>	<b>154,226</b>
<b>Other comprehensive income</b>		
Items that may be classified to profit or loss		
Exchange differences on translation of foreign operations.....	2,633	9,084
<b>Total comprehensive income attributable to the owners of the parent</b> .....	<b>143,349</b>	<b>163,310</b>

		There has been no significant change in the financial position or trading position of TFA and its consolidated subsidiaries (considered as a whole) since 31 March 2015, the date of the most recently published financial statements of TFA. There has been no material adverse change in the financial position or prospects of TFA and its consolidated subsidiaries (considered as a whole) since 31 March 2015, the date of the most recently published audited financial statements of TFA.			
	<b>If the Issuer is TMCC</b>	The following selected financial data as at and for the financial years ended 31 March 2015 and 31 March 2014 has been extracted without material adjustment from audited financial statements prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) included in TMCC’s Annual Report on Form 10-K for the financial year ended 31 March 2015. The following selected financial data as at 30 June 2015 and for the three months ended 30 June 2015 and 30 June 2014 has been extracted without material adjustment from TMCC’s unaudited financial statements included in TMCC’s Quarterly Report on Form 10-Q for the quarter ended 30 June 2015.			
<b>Balance Sheet Data as at 31 March and 30 June</b>					
		30 June		31 March	
		2015		2015	2014
		(U.S. Dollars in Millions)			
Finance receivables, net.....		66,396		65,893	65,176
Investments in operating leases, net.....		32,759		31,128	24,769
Total assets .....		111,300		109,625	102,740
Debt.....		91,677		90,231	85,367
Capital stock <sup>(a)</sup> .....		915		915	915
Retained earnings <sup>(b)</sup> .....		7,518		7,383	6,621
Total shareholder’s equity.....		8,612		8,520	7,738
(a) No par value (100,000 shares authorised; 91,500 issued and outstanding) at 30 June 2015 and at 31 March 2015 and 2014.					
(b) The Board of Directors declared and paid cash dividends to TFSA of \$435 million during fiscal 2015 and \$665 million during fiscal 2014.					
<b>Income Statement Data for the years ended 31 March and the three months ended 30 June</b>					
		Three Months Ended 30 June		Years Ended 31 March	
		2015	2014	2015	2014
		(U.S. Dollars in Millions)			
Financing Revenues:					
Operating lease.....		1,696	1,403	6,113	5,068
Retail .....		457	456	1,797	1,897
Dealer .....		102	101	400	432
Total financing revenues.....		2,255	1,960	8,310	7,397
Depreciation on operating leases .....		1,360	1,100	4,857	4,012
Interest expense.....		508	130	736	1,340
Net financing revenues .....		387	730	2,717	2,045
Insurance earned premiums and contract revenues.....		174	153	638	567
Investment and other income, net.....		38	35	194	135
Net financing revenues and other revenues .....		599	918	3,549	2,747
Expenses:					
Provision for credit losses .....		45	38	308	170
Operating and administrative .....		270	233	1,046	965
Insurance losses and loss adjustment expenses.....		79	70	269	258
Total expenses.....		394	341	1,623	1,393
Income before income taxes.....		205	577	1,926	1,354
Provision for income taxes.....		70	213	729	497
Net income.....		135	364	1,197	857

		There has been no significant change in the financial position or trading position of TMCC and its consolidated subsidiaries (considered as a whole) since 30 June 2015, the date of the most recently published financial statements of TMCC. There has been no material adverse change in the financial position or prospects of TMCC and its consolidated subsidiaries (considered as a whole) since 31 March 2015, the date of the most recently published audited financial statements of TMCC.
B.13	Events impacting the Issuer's solvency	Not Applicable; there have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of its solvency.
B.14	Dependence upon other group entities	<p>If the Issuer is TMF, the Issuer is dependent on the performance of the subsidiaries and affiliates of TMC and TFS to which TMF grants loans and/or in respect of which it issues guarantees.</p> <p>If the Issuer is TCCI, the Issuer's business is substantially dependent upon the sale of Toyota, Lexus and Scion vehicles in Canada by its primary distributor, Toyota Canada Inc.</p> <p>If the Issuer is TFA, the Issuer's business is substantially dependent upon the sale of Toyota and Lexus vehicles in Australia by its primary distributor, Toyota Motor Corporation Australia Limited. In addition, TFA is also dependent on Toyota Finance New Zealand Limited's performance, to the extent of TFA's interest in that company.</p> <p>If the Issuer is TMCC, the Issuer's business is substantially dependent upon the sale of Toyota, Lexus and Scion vehicles in the United States by its primary distributor, Toyota Motor Sales, U.S.A., Inc.</p>
B.15	Principal activities	<p>If the Issuer is TMF, TMF's principal activity is to act as a group finance company for some of TMC's consolidated subsidiaries. TMF raises funds by issuing bonds and notes in the international capital markets and from other sources and on-lends to other Toyota group companies. TMF also issues guarantees for debt issuances of certain other Toyota group companies.</p> <p>If the Issuer is TCCI, TCCI's principal activity 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 and (ii) to Toyota dealers, include floor plan financing and dealership financing. Such financing programmes are offered in all provinces and territories of Canada.</p> <p>If the Issuer is TFA, TFA's principal activity is to provide retail finance (comprising loans and leases to personal and commercial customers) and wholesale finance (comprising loans and bailment facilities to motor vehicle dealerships) to customers and motor vehicle dealers throughout Australia.</p> <p>If the Issuer is TMCC, TMCC's principal activity is to provide a variety of finance and insurance products to authorised Toyota (including Scion) and Lexus vehicle dealers or dealer groups and, to a lesser extent, other domestic and import franchise dealers and their customers in the United States (excluding Hawaii) and Puerto Rico.</p>
B.16	Controlling shareholders	<p>If the Issuer is TMF, TCCI or TFA, all of the outstanding capital stock and voting stock of the Issuer is owned directly by TFS.</p> <p>If the Issuer is TMCC, all of the outstanding capital stock and voting stock of the Issuer is owned indirectly by TFS.</p> <p>TFS is a wholly-owned holding company subsidiary of TMC.</p> <p>As a result, TFS effectively controls the Issuer and is able to directly control the composition of the Issuer's Board of Directors and direct the management and policies of the Issuer.</p>

B.17	Credit ratings	<p>The senior long-term debt of the Issuer has been rated Aa3/Outlook Stable by, if the Issuer is TMF, TCCI or TFA, Moody’s Japan K.K. (“<i>Moody’s Japan</i>”), or if the Issuer is TMCC, Moody’s Investors Service, Inc. (“<i>Moody’s</i>”), and AA-/Outlook Stable by Standard &amp; Poor’s Ratings Japan K.K. (“<i>Standard &amp; Poor’s Japan</i>”). Moody’s Japan, Moody’s and Standard &amp; Poor’s Japan are not established in the European Union and have not applied for registration under Regulation (EC) No. 1060/2009 (the “<i>CRA Regulation</i>”). However, Moody’s Investors Service Ltd. has endorsed the ratings of Moody’s Japan and Moody’s, and Standard and Poor’s Credit Market Services Europe Limited has endorsed the ratings of Standard &amp; Poor’s Japan, in accordance with the CRA Regulation. Each of Moody’s Investors Service Ltd. and Standard and Poor’s Credit Market Services Europe Limited is established in the European Union and is registered under the CRA Regulation.</p> <p>Credit ratings of the Issuer depend, in large part, on the existence of the credit support arrangements with TFS and TMC described below and on the financial condition and the results of operations of TMC and its consolidated subsidiaries. See also “<i>Credit ratings</i>” below with respect to TMC.</p> <p>[The Notes to be issued [have been]/[are expected to be] rated [        ] by [        ].] / [The above ratings reflect ratings assigned to Notes of this type issued under the Programme generally.] A security rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. / [The Issuer has not applied to Moody’s [Japan] or Standard &amp; Poor’s Japan for ratings to be assigned to the Notes.]</p>
B.18	Credit Support Agreements	<p>The Notes have the benefit of certain Credit Support Agreements governed by Japanese law, one between TMC and 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 “<i>TMC Credit Support Agreement</i>”) and between TFS and, if the Issuer is TMF, TCCI or TFA, dated 7 August 2000, and if the Issuer is TMCC, dated 1 October 2000 (the “<i>Credit Support Agreement</i>” and, together with the TMC Credit Support Agreement, the “<i>Credit Support Agreements</i>”). The Credit Support Agreements do not constitute a direct or indirect guarantee by TMC or TFS of the Notes. TMC’s obligations under its Credit Support Agreement and the obligations of TFS under its Credit Support Agreements, rank <i>pari passu</i> with its direct, unconditional, unsubordinated and unsecured debt obligations.</p> <p>Under the TMC Credit Support Agreement, TMC agrees that it will make available to TFS funds sufficient to make its payment obligations on securities issued by it (including securities issued by subsidiaries or affiliates of TFS such as the Issuer in respect of which TFS has credit support obligations) and agrees to ensure that TFS always has at least JPY10,000,000 in consolidated tangible net worth so long as TFS has credit support obligations outstanding.</p> <p>TFS agrees in its Credit Support Agreements with the Issuer to make available to the Issuer funds sufficient to make its payment obligations on securities issued by it and agrees to ensure that (i) if the Issuer is TMF, TMF always has at least EUR100,000 in tangible net worth, (ii) if the Issuer is TCCI, TCCI always has at least C\$150,000 in tangible net worth, (iii) if the Issuer is TFA, TFA always has at least A\$150,000 in consolidated tangible net worth, and (iv) if the Issuer is TMCC, TMCC always has at least U.S.\$100,000 in consolidated tangible net worth, so long as the Issuer has securities outstanding.</p> <p>Tangible net worth means the aggregate amount of issued capital, capital surplus and retained earnings less any intangible assets.</p>

B.19	Legal and commercial name of the Credit Support Providers	Toyota Financial Services Corporation (credit support provider to the Issuer) and Toyota Motor Corporation (credit support provider to Toyota Financial Services Corporation).
	Domicile/ legal form/ legislation/ country of incorporation	TFS is a private company with limited liability incorporated and domiciled in Japan under the laws of Japan. TMC is a limited liability, joint-stock company incorporated and domiciled in Japan under the Commercial Code of Japan. TMC continues to exist under the Companies Act of Japan.
	Trend information	Not Applicable; there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of TFS or TMC for the current financial year.
	Description of the Group	TFS is a holding company established by TMC to oversee the management of Toyota's finance companies worldwide. TFS has 50 consolidated subsidiaries and seven affiliates, most of which are incorporated outside of Japan as of the date of the Prospectus. TFS is a wholly-owned subsidiary of TMC and TMC is the ultimate parent company of the Toyota group.
	Profit forecast or estimate	Not Applicable; there are no profit forecasts or estimates made in the Prospectus.
	Audit report qualifications	Not Applicable; there are no qualifications in the audit report(s) on the audited financial statements for the financial years ended 31 March 2015 and 2014.
	Selected historical key financial information	
	<b>TMC</b>	The following selected financial data has been extracted without material adjustment from the audited financial statements of TMC prepared in accordance with U.S. GAAP included in TMC's Annual Report on Form 20-F for the financial year ended 31 March 2015.
		Years Ended 31 March
		2015      2014
		(in millions, except share and per share data)
<b>Consolidated Statement of Income Data:</b>		
Automotive:		
Revenues.....	¥25,062,129	¥ 23,781,404
Operating income .....	2,325,310	1,938,778
Financial Services:		
Revenues.....	1,661,149	1,421,047
Operating income .....	361,833	294,891
All Other:		
Revenues.....	1,255,791	1,151,280
Operating income .....	65,650	64,270
Elimination of intersegment:		
Revenues.....	(744,548)	(661,820)
Operating income .....	(2,229)	(5,827)
Total Company:		
Revenues.....	27,234,521	25,691,911
Operating income .....	2,750,564	2,292,112
Income before income taxes and equity in earnings of affiliated companies .....	2,892,828	2,441,080
Net income attributable to TMC.....	2,173,338	1,823,119
Net income attributable to TMC per share:		
Basic.....	688.02	575.30
Diluted.....	687.66	574.92



			Years Ended 31 March	
			2015	2014
			(in millions, except share and per share data)	
<b>Consolidated Statement of Income Data:</b>				
Shares used in computing net income attributable to TMC per share, basic (in thousands).....			3,158,851	3,168,989
Shares used in computing net income attributable to TMC per share, diluted (in thousands).....			3,160,429	3,170,911
			As at 31 March 2015	As at 31 March 2014
			(in millions)	
<b>Consolidated Balance Sheet Data (end of period):</b>				
Total Assets: .....			¥ 47,729,830	¥ 41,437,473
Short-term debt, including current portion of long-term debt.....			8,963,492	7,780,483
Long-term debt, less current portion.....			10,014,395	8,546,910
TMC shareholders' equity .....			16,788,131	14,469,148
Common Stock.....			397,050	397,050
		The following selected financial data has been extracted without material adjustment from TMC's unaudited consolidated financial statements prepared in accordance with U.S. GAAP contained in TMC's Unaudited Consolidated Financial Statements for the three month period ended 30 June 2015.		
			Three Months Ended 30 June	
			2015	2014
			(in millions, except per share data)	
<b>Quarterly Consolidated Statement of Income Data:</b>				
Total Company:				
Total net revenues .....			¥ 6,987,648	¥ 6,390,688
Operating income .....			756,001	692,728
Quarterly income before income taxes and equity in earnings of affiliated companies .....			845,259	771,826
Quarterly net income attributable to TMC .....			646,394	587,774
Quarterly net income attributable to TMC per share:				
Basic.....			205.41	185.43
Diluted.....			205.30	185.34
			As at 30 June 2015	As at 31 March 2015
			(in millions)	
<b>Quarterly Consolidated Balance Sheet Data (end of period):</b>				
Total Assets: .....			¥ 48,821,479	¥ 47,729,830
Short-term debt, including current portion of long-term debt.....			9,411,894	8,963,492
Long-term debt, less current portion.....			10,255,231	10,014,395
Total TMC shareholders' equity.....			17,205,009	16,788,131
Common Stock.....			397,050	397,050
		There has been no significant change in the financial position or trading position of TMC and its consolidated subsidiaries (considered as a whole) since 30 June 2015, the date of the most recently published financial statements of TMC. There has been no material adverse change in the financial position or prospects of TMC and its consolidated subsidiaries (considered as a whole) since 31 March 2015, the date of the most recently published audited financial statements of TMC.		
	Events impacting the Credit Support Providers' solvency	Not Applicable; there have been no recent events particular to TFS or TMC which are to a material extent relevant to the evaluation of their solvency.		

	Dependence upon other group entities	As a holding company, TFS is dependent on the performance of its subsidiaries. As the ultimate parent company of Toyota, TMC is dependent on the performance of all of the subsidiaries of Toyota.
	Principal activities	The principal activity of TFS as a holding company is formulating the plans and strategies of the financial business, management of earnings and risk management of Toyota's finance companies, in addition to the promotion of an efficient financial business. TMC is the parent company of the Toyota group which primarily conducts business in the automotive industry in the following business sectors: automotive operations; financial services operations; and all other operations.
	Controlling shareholders	TFS is a wholly-owned holding company subsidiary of TMC. TMC's common stock is listed on the Tokyo Stock Exchange, the three other stock exchanges in Japan and on the Official List of the UK Listing Authority 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. TMC is not directly or indirectly controlled by any of its shareholders.
	Credit ratings	The senior long-term debt of TMC and its supported subsidiaries (including TFS) has been rated Aa3/Outlook Stable by Moody's Japan and AA-/Outlook Stable by Standard & Poor's Japan. See "Credit ratings" above.

### Section C – Notes

Element	Title	
C.1	Description of the Notes/ISIN	The Notes described in this section are debt securities with a denomination of less than €100,000 (or its equivalent in any other currency). The Notes may be Fixed Rate Notes, Floating Rate Notes or Zero Coupon Notes or a combination of the foregoing. The Notes are [ ] [[ ] per cent. / Floating Rate / Zero Coupon] Notes due [ ]. The Notes have a Specified Denomination of [ ]. International Securities Identification Number (ISIN): [ ].
C.2	Currency	The currency of each Series of Notes issued will be agreed between the Issuer and the relevant Dealer at the time of issue. The currency of this Series of Notes is [ ].
C.5	Transferability of the Notes	There are no restrictions on the transferability of the Notes save that the Issuer and the Dealers have agreed certain customary restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the European Economic Area (including the United Kingdom, the Netherlands, Ireland and Spain), Japan, Canada, Australia, New Zealand, the People's Republic of China ("PRC" (which excludes the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan)), Hong Kong, Singapore and Switzerland.
C.8	Rights attaching to the Notes and ranking and limitations to those rights	Notes issued under the Programme will have terms and conditions relating to, among other matters: <b><i>Status of the Notes (Ranking)</i></b> The Notes and any relative coupons constitute direct, unconditional, unsubordinated and [(subject to the application of the negative pledge)] unsecured obligations of the Issuer and will rank <i>pari passu</i> and rateably without any preference among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding.

		<p><b><i>Taxation</i></b></p> <p>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 (i) if the Issuer is TMF, the Netherlands, (ii) if the Issuer is TCCL, Canada, (iii) if the Issuer is TFA, Australia, and (iv) if the Issuer is TMCC, the United States, unless such withholding or deduction is required by law. In the event that any such withholding or deduction is required, the Issuer will be required to pay additional amounts to cover the amounts so withheld or deducted, subject to certain limited exceptions.</p> <p>All payments in respect of the Notes will be made subject to any deduction or withholding required by provisions of Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, any regulations or other guidance promulgated thereunder or any official interpretations thereof (including under an agreement described under Section 1471(b)), or of any intergovernmental agreement implementing an alternative approach thereto or any implementing law in relation thereto (collectively, “<i>FATCA</i>”), and no additional amounts will be paid to cover the amounts so withheld or deducted.</p>
		<p><b><i>Events of default</i></b></p> <p>The Terms and Conditions of the Notes contain the following events of default:</p> <ul style="list-style-type: none"> <li>(a) default in payment of any principal or interest due in respect of the Notes, continuing for a specified period of time;</li> <li>(b) non-performance or non-observance by the Issuer of any covenant, condition or provision under the Terms and Conditions of the Notes or the Agency Agreement for the benefit of holders of Notes (other than the covenant to pay the principal and interest in respect of the Notes), continuing for a specified period of time; and</li> <li>(c) events relating to the winding up, liquidation, bankruptcy, insolvency and creditor arrangements of the Issuer.</li> </ul> <p>The Notes will contain no cross default provision.</p>
		<p><b><i>Meetings</i></b></p> <p>The Terms and Conditions of the Notes contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p>
		<p><b><i>Governing law</i></b></p> <p>English law.</p>
C.9	Interest/ Redemption	<p>Notes may or may not bear interest. Interest-bearing Notes will either bear interest payable at a fixed rate or a floating rate.</p> <p>[The Notes bear interest [from their date of issue] at the fixed rate of [     ] per cent. per annum. The yield of the Notes is [     ] per cent. per annum. Interest will be paid [semi-annually]/[annually] in arrear on [     ] in each year up to and including the Maturity Date.] [The first interest payment will be on [     ].]</p> <p>[The Notes bear interest [from their date of issue] at floating rates calculated by reference to [<i>specify reference rate</i>] [plus/minus] a margin of [     ] per cent. Interest will be paid [quarterly] in arrear on [     ], [     ], [     ], and [     ] in each year[, subject to adjustment for non-business days].] [The first interest payment will be on [     ].]</p> <p>[The Notes are Zero Coupon Notes and do not bear interest [and will be offered and sold at a discount to their nominal amount].]</p>

		<p><b>Redemption</b></p> <p>The terms under which Notes may be redeemed (including the Maturity Date and the price at which they will be redeemed on the Maturity Date, as well as any provisions relating to early redemption at the option of the Issuer (either in whole or part) and/or the holders of the Notes) will be agreed between the Issuer and the relevant purchaser(s) at the time of issue of the relevant Notes. [The Maturity Date of the Notes will be [     ].]</p> <p>Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on [     ] at [par]/[     ] per cent. of their nominal amount]. The Notes may be redeemed early for tax reasons [or <i>[specify other]</i>] at <i>[specify the early redemption price [par]/[par or, if higher, the price at which the gross redemption yield on the Notes is equal to the gross redemption yield on the reference bond rate and a margin of [     ]] and any maximum or minimum redemption amounts, if applicable.]</i></p>
		<p><b>Representatives of holders</b></p> <p>A trustee has not been appointed to act as trustee for the holders of Notes. The Bank of New York Mellon, acting through its London branch has been appointed as the issuing agent [and principal paying agent] [and calculation agent]/[and [     ] has been appointed [principal paying agent and] calculation agent].</p> <p>[Registered Notes issued by TCCI are also issued subject to, and with the benefit of, an amended and restated note agency agreement made between TCCI, Royal Bank of Canada as registrar and transfer agent and Royal Bank of Canada, London Branch as transfer agent and paying agent.]</p> <p>[Registered Notes issued by TMCC are also issued subject to and with the benefit of, an amended and restated note agency agreement made between TMCC, The Bank of New York Mellon (Luxembourg) S.A. as registrar and transfer agent and The Bank of New York Mellon, acting through its London branch, as transfer agent and paying agent.]</p>
C.10	Payments of interest where the security has a derivative component	Not Applicable; the Notes are not derivative securities.
C.11	Listing/ Distribution	<p>Notes may be listed on the London Stock Exchange's Regulated Market and on the Official List of the UK Listing Authority or may be issued on an unlisted basis.</p> <p>[The Notes will be listed on the London Stock Exchange's Regulated Market and on the Official List of the UK Listing Authority.]/[The Notes will not be listed on any stock exchange.]</p> <p>[The Notes may be offered to the public in <i>[specify member states of the European Economic Area]</i>.] [The Notes are being sold only to <i>[specify]</i>.]</p>

#### Section D – Risks

Element	Title	
D.2	Key risks regarding the Issuer	<p>Each of the Issuer, TFS and TMC has identified in the Prospectus a number of factors which could materially adversely affect its business, and, in the case of the Issuer, its ability to make payments due under the Notes or, in the case of TFS and TMC, to fulfil its obligations under the Credit Support Agreements. These factors include:</p> <ul style="list-style-type: none"> <li>if the Issuer is TCCI, TFA or TMCC, changes in general business, economic, geopolitical and market conditions, including the overall market for retail sales, retail or wholesale motor vehicle financing, leasing or dealer financing, changes in the level of sales of Toyota, Lexus and/or, in the case of TCCI and TMCC, Scion vehicles or other vehicles in the Issuer's market;</li> </ul>

		<ul style="list-style-type: none"> <li>• if the Issuer is TCCI, TFA or TMCC, recalls and other related announcements which could adversely affect sales, including as a result of the actual or perceived quality, safety or reliability of Toyota, Lexus and, in the case of TCCI and TMCC, Scion vehicles as the Issuer's business is substantially dependent upon the sale of Toyota, Lexus and, in the case of TCCI and TMCC, Scion vehicles;</li> <li>• a decrease in the level of sales of Toyota, Lexus and, in the case of TCCI and TMCC, Scion vehicles will have a negative impact on the level of the Issuer's financing volume;</li> <li>• if the Issuer is TMF, TMF's role as a financing vehicle exposes it to a wide variety of financial risks that include credit risk, liquidity risk, interest rate risk and foreign currency exchange rate risk;</li> <li>• changes to the senior long-term debt credit ratings of TMC and certain of its affiliates including the Issuer;</li> <li>• if the Issuer is TCCI, TFA or TMCC, the failure of a customer or dealer to meet the terms of any contract with an Issuer or otherwise to perform as agreed;</li> <li>• the failure of any of the financial institutions and other counterparties in the finance industry to perform their contractual obligations;</li> <li>• if the Issuer is TCCI, TFA, or TMCC, the estimated residual values at lease origination may not be recoverable at the end of the lease terms;</li> <li>• if the Issuer is TMCC, its insurance operations could suffer losses if TMCC's reserves are insufficient to absorb losses or if a reinsurer or other company that has assumed insurance risk is unable to meet its obligations under the terms of its agreement with TMCC;</li> <li>• liquidity risk arising from the inability of the TFS group (including the Issuer) to maintain the capacity to fund assets and repay liabilities in a timely and cost-effective manner;</li> <li>• changes in market interest rates, foreign currency exchange rates and other relevant market parameters or prices and/or a decline in the value of the investment portfolio;</li> <li>• inadequate or failed processes, systems or internal controls, the failure to perfect collateral, theft, fraud, cybersecurity breaches, earthquakes, other natural disasters or other catastrophes;</li> <li>• the worldwide automotive market is highly competitive and volatile and the worldwide financial services industry is also highly competitive;</li> <li>• the inability to offer new, innovative, competitively priced products that meet customer demand on a timely basis;</li> <li>• an inability to cover ongoing expenses with ongoing income subsequent to the event of a major market contraction;</li> <li>• if the Issuer is TCCI, TFA or TMCC, changes in law or regulation in relation to the financial services industry and the automotive industry, including those related to vehicle safety and environmental matters or a failure to comply with relevant laws or regulations applicable to it; and</li> <li>• if the Issuer is TMCC, adverse economic conditions, changes in laws in states in which it has customer concentrations or uncertainties relating to the relocation of its corporate headquarters to Plano, Texas, may negatively affect its financial condition and results of operations.</li> </ul>
D.3	Key risks regarding the Notes	<p>There are also risks associated with the Notes including a range of risks relating to the structure of the Notes, market risks and risks relating to Notes generally including that:</p> <ul style="list-style-type: none"> <li>• changes in market interest rates will affect the value of the Notes which bear interest at a fixed rate;</li> </ul>

		<ul style="list-style-type: none"> <li>• if the Issuer has the right to redeem any Notes at its option, an investor may not be able to reinvest the redemption proceeds in a manner which achieves the return the investor would have received if the investor had been allowed to hold the Notes to maturity and the existence of the option may therefore adversely affect the market value and the secondary market for the Notes;</li> <li>• if the Issuer has the right to convert the interest rate on the Notes from a fixed rate to a floating rate, or vice versa, the Issuer is likely to exercise its rights in order to reduce the interest paid after the conversion, the spread on the new floating rate may be less favourable than prevailing floating rate spreads, the new fixed rate may be lower than the prevailing market rates and the existence of the conversion right may therefore adversely affect the market value and the secondary market for the Notes;</li> <li>• Bearer Notes in new global note form and Registered Notes in global form held under the new safekeeping structure may not satisfy Eurosystem eligibility criteria;</li> <li>• Notes denominated in Renminbi are subject to additional risks; Renminbi is not freely convertible or transferable and there are significant restrictions on remittance of Renminbi into and outside the PRC which may adversely affect the liquidity of Notes denominated in Renminbi; there is only limited availability of Renminbi outside the PRC, which may affect the liquidity of such Notes and the Issuer's ability to source Renminbi outside the PRC to service such Notes; if the Issuer is unable to source Renminbi, it may pay holders of such Notes in U.S. dollars;</li> <li>• the Terms and Conditions of the Notes contain provisions which permit their modification without the consent of all investors in certain circumstances;</li> <li>• the holder may not receive payment of the full amounts due in respect of the Notes as a result of amounts being withheld by the Issuer in order to comply with applicable law;</li> <li>• investors are exposed to the risk of changes in law or regulation affecting the value of their Notes;</li> <li>• the value of an investor's investment may be adversely affected by exchange rate movements where the Notes are not denominated in the investor's own currency;</li> <li>• there may be no or only a limited secondary market in the Notes;</li> <li>• any credit rating assigned to Notes may not adequately reflect all the risks associated with an investment in the Notes;</li> <li>• interest on Notes issued with a floating interest rate which is capped will never exceed the maximum rate of interest specified for the relevant period and investors may earn less than the specified maximum interest rate; and</li> <li>• assuming no change in market conditions from the time of issue of the Notes, if the Issuer has hedged its payment obligations on the Notes with the purchaser distributing the Notes, the price, if any, at which a purchaser may be willing to purchase Notes in secondary market transactions will be lower than the issue price.</li> </ul>
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#### Section E – Offer

Element	Title	
E.2b	Reasons for the offer and use of proceeds	The net proceeds from the issue of the Notes will be applied by the Issuer for its general corporate purposes, which include making a profit. If the Issuer is TMF, TMF may also use part of the proceeds from the issue of the Notes for the purpose of posting collateral with third party hedge providers rather than for the purpose of on-lending to other Toyota companies.



E.3	Terms and conditions of the offer	The terms and conditions of the offer will be determined by agreement between the Issuer and the purchaser(s) at the time of issue. The issue price of the Notes is [     ] per cent. of their nominal amount. [The Notes are being offered to <i>[specify]</i> .]
		Offer Period: [From the date of, and following, publication of the Final Terms being [     ] to [     ].]
		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.]
		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 dated [     ] between the Issuer and the Managers. 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.]
		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.]
		Description of possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: [Not Applicable]/[give details]
		Details of the minimum and/or maximum amount of application: [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.]
		Method and time limits for paying up and delivering the Notes: [The Notes will be purchased by the Managers from the Issuer 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.]
		Manner in and date on which results of the offer are to be made public: [Not Applicable]/[give details]
		Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable]/[give details]
		Whether tranche(s) have been reserved for certain countries: [Not Applicable]/[give details]
		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.]

		Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable]/[give details]
		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]/[specify]
E.4	Interest of natural and legal persons involved in the issue/offer	Purchasers may be paid fees in relation to the issue of the Notes under the Programme. The [Dealers/Managers/Purchasers] will be paid aggregate commissions equal to [ ] per cent. of the nominal amount of the Notes. Any [Dealer/Manager/Purchaser] and its affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.
E.7	Expenses charged to the investor by the Issuer or an offeror	[Not Applicable; the Issuer will not charge any expenses to the investor.]/[specify]

## **RISK FACTORS**

*Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should consider carefully the factors and risks associated with any investment in the Notes, the business of each of the Issuers, the TFS group and Toyota and the industry in which each of the Issuers, the TFS group and Toyota operates, together with all other information contained in this Prospectus including, in particular, the risk factors described below. Prospective investors should note that the risks relating to the Issuers, the TFS group and Toyota, their industry and the Notes summarised in the section of this document headed "Summary of the Programme" are the risks that each of the Issuers, TFS and the Parent believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Notes. However, as the risks which each of the Issuers, the TFS group and the Parent faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary of the Programme" but also, among other things, the risks and uncertainties described below.*

*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.*

*Additional risks and uncertainties relating to the Issuers, the TFS group and Toyota that are not currently known to each of the Issuers, the TFS group and Toyota, or that are currently deemed to be immaterial, may individually or cumulatively also have a material adverse effect on an Issuer's, the TFS group's, and/or Toyota's business, prospects, results of operations and financial position and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment.*

### **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, the TFS group 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 results of operations:

#### ***General Business, Economic, Geopolitical and Market Conditions***

Each of TCCI's, TFA's and TMCC's financial condition and results of operations are affected by a variety of factors, including changes in the overall market for retail contracts, retail or wholesale motor vehicle financing, leasing or dealer financing, changes in the level of sales of Toyota, Lexus and/or, in the case of TCCI and TMCC, Scion vehicles or other vehicles in TCCI's, TFA's and/or TMCC's markets, the rate of growth in 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, rate of default by its customers, the interest rates it is required to pay on the funding it requires to support its business, amounts of funding available to it, changes in the funding markets, the used vehicle market, its credit ratings, the success of efforts to expand its product lines, levels of operating expenses and general and administrative expenses,

including but not limited to labour costs, technology costs (including, but not limited to, amortisation expense and/or impairment losses arising from capitalised intangible assets and maintenance costs) and premises costs (including costs associated with reorganisation or relocation, in the case of TMCC), general economic conditions, inflation, fiscal and monetary policies in the country in which each of TCCI, TFA and TMCC conducts its business as well as Europe and other countries in which they each issue debt. Further, a significant and sustained increase in fuel prices could lead to lower new and used vehicle purchases. This could reduce the demand for motor vehicle retail, lease and wholesale financing. In turn, lower used vehicle prices could affect amounts written off and, in the case of TFA and TMCC depreciation on operating leases, or lease residual value provisions.

Adverse economic conditions in the country in which each of TCCI, TFA and TMCC conducts its business may lead to diminished consumer and business confidence, lower household incomes, increases in unemployment rates as well as consumer and commercial bankruptcy filings, all of which could adversely affect vehicle sales and discretionary consumer spending. These conditions may decrease the demand for TCCI's, TFA's and TMCC's financing products, as well as increase defaults and losses. In addition, where credit exposures of TCCI, TFA or TMCC are collateralised by vehicles, the severity of losses can be particularly affected by the decline in used vehicle prices. Vehicle and industrial equipment dealers are also affected by economic slowdowns which, in turn, for TCCI, TFA and TMCC in respect of vehicle dealers and TFA and TMCC in respect of industrial equipment dealers, increases the risk of default of certain dealers within TCCI's, TFA's and TMCC's portfolios.

Market conditions are 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. Elevated levels of market disruption and volatility, including in the United States and in Europe, could increase each Issuer's cost of capital and adversely affect its ability to access the international capital markets and fund its business in a similar manner, and at a similar cost, to the funding raised in the past. These market conditions could also have an adverse effect on the results of operations and financial condition of TCCI, TFA and TMCC by diminishing the value of TMCC's and TFA's investment portfolios and increasing TCCI's, TFA's and TMCC's cost of funding. If, as a result, TCCI, TFA and TMCC increase the rates they charge their customers and dealers, TCCI's, TFA's and TMCC's competitive position could be negatively affected. Challenging market conditions may result 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 (directly or indirectly) the financial performance of each of the Issuers.

If there is a continued and sustained period of market disruption and volatility:

- there can be no assurance that each of the Issuers will continue to have access to the capital markets in a similar manner and at a similar cost as they have had in the past;
- issues of debt securities by each of the Issuers may be undertaken at spreads above benchmark rates that are greater than those on similar issuances undertaken during the prior several years;
- each of the Issuers may be subject to over-reliance on a particular funding source or a simultaneous increase in funding costs across a broad range of sources; and
- the ratio of an Issuer's short-term debt outstanding to total debt outstanding may increase if negative conditions in the debt markets lead the Issuers to replace some maturing long-term liabilities with short-term liabilities (for example, commercial paper).

Any of these developments could have an adverse effect on an Issuer's financial condition and results of operations.

Geopolitical conditions may also impact an Issuer's operating results. Any political or military actions in response to terrorism, regional conflict or other events, could adversely affect general economic or industry conditions.

### ***Recalls and Other Related Announcements***

Toyota Motor Sales, USA., Inc., Toyota Canada Inc. and Toyota Motor Corporation Australia Limited periodically conduct vehicle recalls which could include temporary suspensions of sales and production of certain Toyota, Lexus and, in the case of TCCI and TMCC, Scion models. Because each of TCCI's, TFA's and TMCC's businesses are substantially dependent upon the sale of Toyota, Lexus and, in the case of TCCI and TMCC, Scion vehicles, such events could adversely affect each of their businesses.

A decrease in the level of sales, including as a result of the actual or perceived quality, safety or reliability of Toyota, Lexus and, in the case of TCCI and TMCC, Scion vehicles, or a change in standards of regulatory bodies will have a negative impact on the level of each Issuer's financing volume, each of TFA's and TMCC's insurance volume and each of TCCI's, TFA's and TMCC's earning assets and revenues. The credit performance of each of TCCI's, TFA's and TMCC's dealer and consumer lending and/or finance portfolios may also be adversely affected. In addition, a decline in values of used Toyota, Lexus and, in the case of TCCI and TMCC, Scion vehicles would have a negative effect on realised values and return rates, which, in turn, could increase each of TFA's and TMCC's depreciation expenses, TCCI's lease residual value provisions and each of TFA's, TCCI's and TMCC's credit losses. Further, certain of TMCC's affiliated entities and Toyota Canada Inc., are or may become subject to litigation and governmental investigations, and have or may become subject to fines or other penalties. These factors could affect sales of Toyota, Lexus and, in the case of TCCI and TMCC, Scion vehicles and, accordingly, could have a negative effect on each Issuer's financial condition and results of operations.

### ***Credit Risk***

Credit risk is the risk of loss arising from a failure of a customer or dealer to meet the terms of any retail or lease 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 sales, 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 operational changes.

The level of credit risk on each of TCCI's, TFA's and TMCC's dealer financing portfolio is influenced primarily by the financial strength of dealers within that portfolio, dealer concentration, the quality and perfection of collateral and other economic factors. The financial strength of dealers within the dealer financing portfolio is influenced by general macroeconomic conditions, the overall demand for new and used vehicles and the financial condition of motor vehicle manufacturers, among other factors. An increase in credit risk would increase each of TCCI's, TFA's and TMCC's provision for credit losses, which would have a negative impact on its financial condition and results of operations.

A downturn in economic conditions in Canada, Australia and the United States, natural disasters and other factors would increase the risk that a customer or dealer may not meet the terms of a finance contract with TCCI, TFA and TMCC, respectively, or may otherwise fail to perform as agreed. A weaker economic environment, evidenced by, among other things, unemployment, underemployment and consumer bankruptcy filings, may affect some of such Issuer's customers' ability to make their scheduled payments. There can be no assurance that each of TCCI's, TFA's and TMCC's monitoring of credit risk, the taking and perfection of collateral and its efforts to mitigate credit risk are, or will be, sufficient to prevent an adverse effect on its financial condition and results of operations.

### ***Counterparty Credit Risk***

Each Issuer has exposure to many different financial institutions and each Issuer routinely executes transactions with counterparties in the financial industry. Each Issuer's debt, derivative and investment transactions, and its ability to borrow under committed and uncommitted credit facilities, could be adversely affected by the actions and commercial soundness of other financial institutions. Deterioration of social, political, employment or economic conditions in a specific country or region may also adversely affect the ability of financial institutions, including each Issuer's derivative counterparties and lenders, to perform their contractual obligations. Financial institutions are interrelated as a result of trading, clearing, lending or other relationships and, as a result, financial and political difficulties in one country or region may adversely affect financial institutions in other

jurisdictions, including those with which an Issuer has relationships. The failure of any of the financial institutions and other counterparties to which an Issuer has exposure, directly or indirectly, to perform their contractual obligations, and any losses resulting from that failure, may materially and adversely affect an Issuer's liquidity, financial condition and results of operations.

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

Residual value represents an estimate of the end of term market value of a leased asset. 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. Each of TCCI, TFA and TMCC is subject to residual value risk on lease products, where the customer may return the financed vehicle on termination of the lease agreement. The risk increases if the number of returned lease assets are higher than anticipated and/or the loss per unit is higher than anticipated. Fluctuations in the market value of leased assets subsequent to lease origination may introduce volatility in TCCI's, TFA's and TMCC's profitability, through residual value provisions and/or gains or losses on disposal of returned assets.

Factors which can impact the market value of vehicle assets include local, regional and national economic conditions, new vehicle pricing, new vehicle incentive programmes, new vehicle sales, the actual or perceived quality, safety or reliability of vehicles, future plans for new Toyota, Lexus and, in the case of TCCI and TMCC, Scion product introductions, competitive actions and behaviour, product attributes of popular vehicles, the mix of used vehicle supply, the level of current used vehicle values, inventory levels and fuel prices. Differences between the actual sale price realised on returned vehicles and TCCI's, TFA's and TMCC's estimates of such values at contract origination could have a negative impact on such Issuer's financial condition and results of operations.

### ***Guaranteed Future Value Risk (TFA)***

TFA offers Guaranteed Future Value ("GFV") loan and hire purchase products which give customers a choice to retain their vehicle at the end of the term of the finance contract subject to payment of all money payable at the end of the term or to sell their vehicle back to TFA or its nominee for the agreed GFV. The GFV risk is the risk that the vehicle value at the end of the agreed contract term is less than the GFV. Fluctuations in the market value of these assets (vehicles) subsequent to contract origination may introduce volatility in TFA's profitability, through impairment provisions and/or losses on disposal of returned assets. There is no risk to TFA where the customer retains the vehicle at the end of the term of the finance contract and pays out the finance contract in full.

### ***Liquidity Risk***

Liquidity risk is the risk arising from the inability to meet obligations when they are due in a timely manner. 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 even in the event of adverse market conditions. An inability to meet obligations when they become due in a timely manner would have a negative impact on an Issuer's ability to refinance maturing debt and fund new asset growth and would have an adverse effect on its financial condition and results of operations.

### ***Market Risk***

Market risk is the risk that changes in market interest rates, foreign currency exchange rates and other relevant market parameters or prices cause volatility in the TFS group's (including each Issuer's) financial condition and/or results of operations and/or cash flow. The effect of an increase in market interest rates on the TFS group's income and capital (including that of an Issuer) could have an adverse effect on the TFS group's (including each Issuer's) business, financial condition and results of operations by increasing the rates some members of the TFS group may charge their customers and dealers, thereby affecting its competitive position. Market risk also includes the risk that the value of the investment portfolio of the TFS group could decline.

Senior management of each Issuer and TFS, where applicable, provide written principles for overall risk management, as well as policies covering specific areas, such as foreign currency exchange rate risk, interest rate risk, use of derivative financial instruments and non-derivative financial instruments. Risk management is carried out by various committees and departments based on charters or policies approved by senior management of each Issuer and TFS, where applicable.



Each of the Issuers operates in the international capital markets to obtain debt funding to support its earning assets. Transactions may be denominated in foreign currencies, exposing each Issuer to foreign currency exchange rate risk arising from various currency exposures.

Each of the Issuers has a policy requiring it to manage its foreign currency exchange rate risk against their functional currency or currencies (TMF: Euro, Sterling, Japanese Yen and U.S. Dollars; TCCI: Canadian dollars; TFA: Australian dollars; and TMCC: U.S. Dollars). TMF is required to hedge substantially all of its foreign currency exchange rate risk and each of the other Issuers is required to hedge 100 per cent. of its foreign currency exchange rate risk.

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates and/or the value of a financial instrument will fluctuate because of changes in market interest rates. Each Issuer is exposed to the effects of fluctuations in the prevailing levels of market interest rates as it borrows and lends funds at both floating and fixed rates.

Derivative financial instruments are entered into by each Issuer to economically hedge or manage its exposure to market risk. However, changes in market interest rates, foreign currency exchange rates and market prices cannot always be predicted or hedged.

Adverse changes in market interest rates and/or foreign currency exchange rates could affect the value of the derivative financial instruments entered into by each of the Issuers which could result in volatility in each Issuer's financial condition and/or results of operations. Changes in the fair value of derivatives, to the extent that they are not offset by the translation of the items economically hedged, may introduce volatility in the relevant Issuer's income statement and produce anomalous results.

#### *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 increase rates on new fixed rate contracts due to competitive reasons.

#### ***Operational Risk***

Operational risk is the risk of loss resulting from, among other factors, inadequate or failed processes, systems or internal controls, the failure to perfect collateral, theft, fraud, natural disasters or other catastrophes (including without limitation, explosions, fires, floods, earthquakes, terrorist attacks, riots, civil disturbances and epidemics). TMCC's corporate headquarters are located in the Los Angeles, California area, which is near major earthquake faults. A catastrophic event that results in the destruction or disruption of any of TMCC's critical business or information technology systems could harm TMCC's ability to conduct normal business operations. Operational risk can occur in many forms including, but not limited to, errors, business interruptions, failure of controls, failure of systems or other technology, deficiencies, in the case of TMCC, in its insurance risk management programme, inappropriate behaviour or misconduct by employees of, or those contracted to perform services for, an Issuer and vendors that do not perform in accordance with their contractual agreements. Each of the Issuers is also exposed to the risk of inappropriate or inadequate documentation of contractual relationships. These events can potentially result in financial losses or other damages to an Issuer, including damage to reputation.

Further, on 28 April 2014, TMCC issued a press release announcing that, as part of TMC's planned consolidation of its three separate North American headquarters for manufacturing, sales and marketing to a single new headquarters facility in Plano, Texas, TMCC's corporate headquarters would move from Torrance, California, to Plano, Texas, beginning in 2017. TMCC does not expect that the relocation of its headquarters will change its corporate or leadership structure. However, TMCC recognises that there are uncertainties related to the relocation. TMCC can give no assurance that the relocation will be completed as planned or within the expected timing. In addition, the pending relocation may involve significant cost to TMCC and the expected benefits of the move may not be fully realised due to associated disruption to operations and to personnel.

In addition, any upgrade or replacement of an Issuer's 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 systems. These factors could have an adverse effect on an Issuer's financial condition and results of operations.

Each of the Issuers also relies on a framework of internal controls designed to provide a sound and well-controlled operating environment. Due to the nature of each Issuer's business and the challenges inherent in implementing control structures, problems may be identified in the future that could have a material effect on each Issuer's financial condition and results of operations.

Each Issuer strives to maintain appropriate levels of operational risk relative to its business strategies, competitive and regulatory environment, and markets in which it operates. Appropriate levels of insurance coverage are maintained for those operating risks that management of each Issuer agree should be protected 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.

*A security breach or a cyber attack could adversely affect an Issuer's operating results and financial condition*

Each Issuer relies on internal and third party 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. Each Issuer collects and stores certain personal and financial information from employees, customers and other third parties. Security breaches or cyber attacks involving an Issuer's systems or facilities, or the systems or facilities of an Issuer's service providers, could expose an Issuer to a risk of loss of this information, business interruptions, regulatory scrutiny, actions and penalties, litigation, reputational harm and a loss of confidence that could potentially have an adverse impact on future business with current and potential customers.

Each Issuer relies on encryption and authentication technology licensed from third parties to provide the security and authentication necessary to effect secure online transmission of confidential information from customers and employees. Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may result in a compromise or breach of the technology that each Issuer uses to protect sensitive customer and employee data. A party who is able to circumvent these security measures could misappropriate proprietary information or cause interruption to the operations of an Issuer. Each Issuer may be required to expend capital and other resources to protect against such security breaches or cyber attacks or to remedy problems caused by such breaches or attacks. Each Issuer's security measures are designed to protect against security breaches and cyber attacks, but failure to prevent such security breaches and cyber attacks could subject each Issuer to liability, a decrease in profitability and damage to the reputation of each of the Issuers.

### ***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 applicable law, regulation and regulatory guidance. See also "*Toyota Motor Credit Corporation ("TMCC") – Description of TMCC*" for further discussion of specific regulatory risks relating to TMCC.

### ***Competition Risk***

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. Increases in competitive pressures could have an adverse impact on the TFS group's contract volume, market share, revenues and margins. Further, the financial condition and viability of competitors and peers of the TFS group may have an impact on the financial services

industry in which the TFS group operates, resulting in changes in demand for their products and services. This could have an adverse impact on the TFS group's financial condition and results of operations.

### ***Controlling Shareholder – Credit Ratings and 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 TMF's Board of Management and the Board of Directors of each of TCCI, TFA and TMCC, and direct the management and policies of each of the Issuers.

Each of the Issuers 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. 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 for notes, bonds and commercial paper issued by each of the Issuers, depend, in large part, on the existence of the credit support arrangements with TFS and TMC described in "*Relationship of TFS and the Issuers with the Parent*" and on the financial condition and results of operations of TMC and its consolidated subsidiaries. If these arrangements (or replacement arrangements acceptable to the rating agencies) are not available to the Issuers, or if the credit ratings of TMC and TFS as credit support providers were lowered, the credit ratings for notes, bonds and commercial paper issued by each of the Issuers would be adversely impacted.

Credit rating agencies which rate the credit of TMC and its affiliates, including TFS and the Issuers, may qualify or alter ratings at any time. Global economic conditions and other geopolitical factors may directly or indirectly affect such ratings. Any downgrade in the sovereign credit ratings of the United States or Japan may directly or indirectly have a negative effect on the ratings of TMC and each of the Issuers. Downgrades or placement on review for possible downgrades could result in an increase in borrowing costs as well as reduced access to the domestic and international capital markets. These factors would have a negative impact on an Issuer's competitive position, liquidity, financial condition and results of operations. In addition, depending on the level of the downgrade, TCCI and TMCC may be required to post an increased amount of cash collateral under certain derivative agreements.

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.

### ***Business Risk***

Business risk is the risk that the businesses are not able to cover their ongoing expenses with ongoing income subsequent to the event of a major market contraction.

### ***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 Ratings and Credit Support*") and from other sources 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 entering into agreements to exchange collateral, 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.

TMF has no control over how the other Toyota companies to which TMF on-lends funds source their financing. TMF competes with other providers of finance to such Toyota companies and any increases in competitive pressures, such as cost of funding, could have an adverse impact on TMF's financing volume, revenues and margins. Further, the financial condition of the Toyota companies to which TMF on-lends funds or provides guarantees in respect of their borrowings, may have an impact on the financial services TMF provides to such Toyota companies. This could have an adverse impact on TMF's financial condition and results of operations.

#### *TCCI, TFA and TMCC*

##### *Sales of Toyota, Lexus and Scion Vehicles*

Toyota Canada Inc. and Toyota Motor Sales, U.S.A., Inc. are the primary distributors of Toyota, Lexus and Scion vehicles in Canada and the United States, respectively and Toyota Motor Corporation Australia Limited is the primary distributor of Toyota and Lexus vehicles in Australia (each, a "*Distributor*"). Each of TCCI's, TFA's and TMCC's business is substantially dependent upon the sale of Toyota, Lexus and, in the case of TCCI and TMCC, Scion vehicles and its ability to offer competitive financing (and, in the case of TMCC, insurance products) in its market place. TMCC's business is also dependent upon, although to a lesser extent, the sales of Toyota forklifts and HINO commercial trucks. Toyota Material Handling, U.S.A., Inc. ("*TMHU*") is the primary distributor of Toyota forklifts and Hino Motor Sales, U.S.A., Inc. ("*HINO*") is the exclusive distributor of commercial trucks manufactured by Hino Motors Ltd. (each of TMHU and HINO also being a "*Distributor*"). TFA's business is also substantially dependent upon its accredited Toyota and other vehicle dealership network introducing new finance and lease business to TFA and, except in the case of TFA's business regulated under the Australian consumer credit laws or as otherwise agreed with TFA, 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.

Higher levels of sales of new and used Toyota, Lexus and, in the case of TCCI and TMCC, Scion 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 each of TCCI's, TFA's and TMCC's business. Lower levels of sales of new and used Toyota, Lexus and, in the case of TCCI and TMCC, Scion 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 in relation to the sale of new and used vehicles which would impact the level of TCCI's, TFA's and TMCC's financing volume, insurance volume (in the case of TFA and TMCC) and results of operations include:

- changes resulting from governmental action;
- changes in consumer demand;
- changes in economic conditions;
- recalls;
- the actual or perceived quality, safety or reliability of Toyota, Lexus and/or Scion vehicles;
- decreased or delayed vehicle production due to natural disasters, supply chain interruptions or other events;
- changes in the level of a Distributor's sponsored subsidy and incentive programmes (or those of other affiliates of TMCC);
- increased competition;

- changes in the effectiveness of motor vehicle dealers selling Toyota, Lexus and/or Scion vehicles relative to those selling vehicles of other makes;
- changes in pricing of imported units due to currency fluctuations or other reasons;
- significant increases in fuel prices which may adversely affect sales in the larger Toyota, Lexus and/or Scion vehicle range (but may increase sales in the smaller Toyota passenger vehicle range); and
- the sale of all or a portion of its portfolio, or changes in the size of the portfolio of loans and leases.

Further, a significant and sustained increase in fuel prices could decrease new and used vehicle purchases, thereby reducing the demand for motor vehicle retail and wholesale financing.

*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.

*Product Subsidies Provided by the Distributor – TCCI, TFA and TMCC*

Certain financing products offered by each of TCCI, TFA and TMCC may be subsidised by a Distributor. The Distributor sponsors special financing programmes on certain new and used Toyota, Lexus and/or Scion vehicles, as well as, in the case of TMCC, Toyota forklifts and/or HINO commercial trucks, that result in reduced monthly payments by qualified customers for finance products.

Support amounts received from a Distributor in connection with these programmes approximate the amounts required by each of TCCI, TFA 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, TFA and TMCC vary based on the mix of Toyota, Lexus and/or Scion vehicles and, in the case of TMCC, industrial equipment, timing of programmes and the level of support provided.

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.

*Risk Relating to Non-Toyota Dealers – TCCI and TFA*

Toyota Canada Inc. and Toyota Motor Corporation Australia Limited are the primary distributors of Toyota, Lexus and Scion vehicles in Canada and Toyota and Lexus vehicles in Australia, respectively. Each of TCCI and TFA provides financing for some dealerships which sell products not distributed by its Distributor (or one of its affiliates). A significant adverse change, such as the closure, a restructuring or bankruptcy of automobile manufacturers other than Toyota may increase the risk that these dealers may be impacted financially and default on their loans with TCCI or 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.

TFA and TMCC maintain an allowance for credit losses to cover probable and estimable losses as of the balance sheet date resulting from the non-performance of its customers and dealers under their contractual obligations. The determination of the allowance involves significant assumptions, complex analyses, and management judgment and requires TFA and TMCC to make significant estimates of current credit risks using existing qualitative and quantitative information, any or all of which may change. As a result, TFA's and TMCC's allowance for credit losses may not be adequate to cover TFA's and TMCC's actual losses. In addition, changes in economic conditions affecting borrowers, accounting rules and related guidance, new information regarding existing portfolios, and other factors, both within and outside of TFA's and TMCC's control, may require changes to the allowance for credit losses. A material increase in TFA's or TMCC's allowance for credit losses may adversely affect TFA's or TMCC's financial condition and results of operations.

*Adverse Economic Conditions or Changes in State Laws may Negatively Affect TMCC's Financial Condition and Results of Operations*

TMCC is exposed to customer concentration risk in its retail, lease, dealer and insurance products in certain states of the United States. Factors adversely affecting the economy and applicable laws in various states where TMCC has customer concentration risk could have an adverse effect on TMCC's financial condition and results of operations.

*Insurance Reserves – TMCC*

TMCC's insurance operations are subject to the risk of loss if its reserves for unearned premium and contract revenues on unexpired policies and agreements in force are not sufficient. Using historical loss experience as a basis for recognising revenue over the term of the contract or policy may result in the timing of revenue recognition varying materially from the actual loss development. TMCC's insurance operations are 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. Because TMCC uses estimates in establishing reserves, actual losses may vary from amounts established in earlier periods.

*Risk Transfer Credit Risk – TMCC*

Risk transfer credit risk is the risk that a reinsurer or other company assuming liabilities relating to TMCC's insurance operations will be unable to meet its obligations under the terms of TMCC's agreement with them. Such failure of a reinsurer to meet its obligations could result in losses to TMCC's insurance operations.

*Fair Value of Assets*

Each of the Issuers uses estimates and various assumptions in determining the fair value of, in the case of TCCI and TMF, its financial assets consisting of derivative financial instruments, and in the case of TFA and TMCC many of its assets, which in some cases do not have an established market value or are not publicly traded. An Issuer's assumptions and estimates may be inaccurate for many reasons. For example, assumptions and estimates often involve matters that are inherently difficult to predict and are beyond the Issuer's control (for example in the case of TFA and TMCC, macro-economic conditions and their impact on Toyota dealers). In addition, such estimates and assumptions often involve complex interactions between a number of dependent and independent variables, factors, and other assumptions. As a result, actual experience may differ materially from these estimates and assumptions. A material difference between the estimates and assumptions and the actual experience may adversely affect the relevant Issuer's financial condition and results of operations.

*Fluctuations in Valuation of Investment Securities or Investment Market Prices*

Investment market prices, in general, are subject to fluctuation. Consequently, the amount realised in the subsequent sale of an investment may significantly differ from the reported market value and could negatively affect the revenues of TFA or TMCC. Additionally, negative fluctuations in the value of available-for-sale investment securities could result in unrealised losses recorded in other comprehensive income or in other-than-temporary impairment within the results of operations. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investment, the relative price of alternative investments, national and international events, and general market conditions.

### *Impact of Changes to Accounting Standards*

TFA's audited consolidated financial statements in the Annual Financial Report for the year ended 31 March 2015 have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") as well as the Australian Corporations Act and comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The IASB is continuing its programme 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 United States continue to work together to harmonise the accounting standards of the United States and IFRS. Any future change in IFRS may have a beneficial or detrimental impact on the reported earnings of an Issuer, where they are adopted by the IASB or, in the case of TFA, by the AASB.

TMCC's accounting and financial reporting policies conform to accounting principles generally accepted in the United States, which are periodically revised and/or expanded. The application of accounting principles is also subject to varying interpretations over time. Accordingly, TMCC is required to adopt new or revised accounting standards, or comply with revised interpretations that are issued from time to time by various parties, including accounting standard setters and those who interpret the standards, such as the Financial Accounting Standards Board ("FASB") and the SEC and TMCC's independent registered public accounting firm. Those changes could adversely affect TMCC's financial condition and result of operations.

The FASB has recently proposed new financial accounting standards, and has many active projects underway which include potential for significant changes in the accounting for financial instruments (including loans, allowance for loan losses, and debt) and the accounting for leases, among others. It is possible that any changes, if enacted, could adversely affect TMCC's financial condition and results of operations.

### *Changes to Laws, Regulations or Government Policies*

Changes to the laws, regulations or to the policies of national governments (federal, state, provincial or local) of any jurisdiction in which each of the Issuers conducts its business or of any other national governments (federal, state, provincial or local) or international organisations (and the actions flowing from such changes to policies) may have a negative impact on that Issuer's business or require significant expenditure by it, or significant changes to its processes and procedures, to ensure compliance with those laws, regulations or policies so that it can effectively carry on its business.

As a provider of finance, insurance and other payment and vehicle protection products, TMCC operates in a highly regulated environment in the United States. TMCC is subject to licensing requirements at the state level and to laws, regulation and examination at the state and federal levels. TMCC holds lending, leasing, insurance and debt collector licenses where required in the various states in which it does business. TMCC is obligated to comply with periodic reporting requirements and to submit to regular examinations as a condition of maintenance of its licenses and the offering of its products and services. TMCC must comply with laws that regulate its business, including in the areas of marketing, analytics, origination, collection and servicing.

At the federal level, the Dodd-Frank Wall Street Reform and Consumer Protection Act ("*Dodd-Frank Act*") has broad implications for the financial services industry and requires the development, adoption and implementation of many regulations. Among other things, the Dodd-Frank Act created the Consumer Financial Protection Bureau ("*CFPB*"), which has broad regulatory, examination and enforcement authority over entities offering consumer financial products or services. Two of the primary purposes of the CFPB are to ensure that consumers receive clear and accurate disclosures regarding financial products and to protect consumers from discrimination and unfair, deceptive and abusive practices. Although the impact of the CFPB on TMCC's business remains uncertain, the CFPB has increased its focus on auto finance providers through enforcement actions and issuance of a larger participant rule giving the CFPB supervisory authority over larger non-bank participants in the auto finance industry. TMCC became subject to CFPB supervision and examination as of 31 August 2015 when the CFPB's final rule (establishing its supervisory authority over larger participants in the auto finance industry) became effective. CFPB supervision, regulation, inquiries and related enforcement action, if any, may result in monetary penalties, increase TMCC's compliance

costs, require changes in its business practices, affect its competitiveness, impair its profitability, harm its reputation or otherwise adversely affect its business.

The Dodd-Frank Act also established the Financial Stability Oversight Council (“FSOC”) which is mandated with designating non-bank financial companies that pose systemic risk to the United States financial system (“SIFIs”). An international standard-setting authority, the Financial Stability Board (“FSB”), also has proposed, but has not yet finalised, a methodology for assessing and designating non-bank non-insurer global-SIFIs (“G-SIFIs”). If TMCC or one of its affiliates were designated as a SIFI or, once the FSB finalises its process, a G-SIFI, TMCC could experience increased compliance costs, the need to change certain business practices, impairments to its profitability and competitiveness and other adverse effects on TMCC’s business.

As directed by the Dodd-Frank Act, on 10 December 2013, various federal financial regulators adopted final regulations to implement the Volcker Rule, which generally prohibits companies affiliated with United States insured depository institutions from engaging in “proprietary trading” or certain transactions with certain privately offered funds. The activities prohibited by the Volcker Rule are not core activities for TMCC, but TMCC continues to assess the full impact of the rule and the final regulations based on developing regulatory and supervisory guidance.

Federal regulatory agencies have issued numerous additional rules to implement various requirements of the Dodd-Frank Act, and some of these rules remain in proposed form. Agencies have issued rules establishing a comprehensive framework for the regulation of derivatives and requiring sponsors of asset-backed securities to retain an ownership stake in securitisation transactions. Although TMCC has analysed these and other rulemakings, the absence of final rules in some cases and the complexity of some of the proposed rules make it difficult for TMCC to estimate the financial, compliance or operational impact.

See also “*Toyota Motor Credit Corporation (“TMCC”) – Description of TMCC*” for further discussion of recent legislative changes that will affect TMCC.

Compliance with applicable law is costly and can affect operating results. Compliance requires forms, processes, procedures, controls and the infrastructure to support these requirements. Compliance may create operational constraints and place limits on pricing, as the laws and regulations in the financial services industry are designed primarily for the protection of consumers. Changes in regulation could restrict each of TMF’s, TCCI’s and TMCC’s ability to operate its business as currently operated, could impose substantial additional costs or require it to implement new processes, which could adversely affect its business, prospects, financial performance or financial condition. The failure to comply could result in significant statutory civil and criminal fines, penalties, monetary damages, attorney or legal fees and costs, restrictions on an Issuer’s ability to operate its business, possible revocation of licenses and damage to an Issuer’s reputation, brand and valued customer relationships. Any such costs, restrictions, revocations or damage could adversely affect each of TMF’s, TCCI’s and TMCC’s business, prospects, financial performance or financial condition.

### *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.

Potential future Australian Government policy measures, including but not limited to potential future stimulus measures or potential new measures arising from Australian Government sponsored reviews of the Australian tax system or for any other reasons, may directly or indirectly impact TFA’s net income. A later future modification or cessation of such potential future measures may adversely impact the net income of TFA.



TFA's membership of a GST group and an income tax consolidated group is discussed in "Toyota Finance Australia Limited ("TFA") – Description of TFA". Transactions by other members of the GST group and income tax consolidated group with external parties to those groups may be subject to review by the Australian tax authorities and would be dealt with by the head company of the relevant group. As such, TFA will generally either have no knowledge, or not have detailed knowledge, of any such review as they pertain to other members of the relevant group.

#### *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 Australian 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. 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. In particular (a) the administration procedure under the Australian 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, and (b) in Australia some statutory claims by shareholders for breach of statutory requirements can rank equally with claims of other creditors.

#### *Industry and Business Risks – Toyota*

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

The worldwide automotive market is highly competitive. Toyota faces intense competition from automotive manufacturers in the markets in which it operates. Although the global economy continues to recover gradually, competition in the automotive industry has further intensified amidst difficult overall market conditions. In addition, competition is likely to further intensify in light of further continuing globalisation in the worldwide automotive industry, possibly resulting in industry reorganisations. Factors affecting competition include product quality and features, safety, reliability, fuel economy, the amount of time required for innovation and development, pricing, customer service and financing terms. Increased competition may lead to lower vehicle unit sales, which may result in a further downward price pressure and adversely affect Toyota's financial condition and results of operations. Toyota's ability to adequately respond to the recent rapid changes in the automotive market and to maintain its competitiveness will be fundamental to its future success in existing and new markets and to maintain 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 economic, social and political 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. In fiscal 2015, the Japanese economy continued on a path of moderate recovery, even though weakness could be seen in personal consumption and other areas. The United States economy saw ongoing recovery mainly due to increasing personal consumption and the European economy as a whole showed continuing signs of recovery. Meanwhile, economies such as those of China and emerging countries showed signs of weakness. The shifts in demand for automobiles are continuing, and it is unclear how this situation will transition in the future. Toyota's financial condition and results of operations may be adversely affected if the shifts in demand for automobiles continue or progress further. 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, which may result in 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 competitively priced products that meet customer demand on a timely basis*

Meeting customer demand by introducing attractive new vehicles and reducing the amount of time required for product development are critical to automotive manufacturers. In particular, it is critical to meet customer demand with respect to quality, safety and reliability. The timely introduction of new vehicle models, at competitive prices, meeting rapidly changing customer preferences and demand is more fundamental to Toyota's success than ever, as the automotive market is rapidly transforming in light of the changing global economy. There is no assurance, however, that Toyota will adequately and appropriately respond to changing customer preferences and demand with respect to quality, safety, reliability, styling and other features in a timely manner. Even if Toyota succeeds in perceiving customer preferences and demand, 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, including cost reduction 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 customers' preferences and demand with respect to quality, safety, reliability, styling and other features 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 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. There is no assurance that Toyota will be able to develop sales techniques and distribution networks that effectively adapt to changing customer preferences or changes in the regulatory environment in the major markets in which it operates. Toyota's inability to maintain well-developed sales techniques and distribution networks may result in decreased sales and market share and may adversely affect its financial condition and results of operations.

*Toyota's success is significantly impacted by its ability to maintain and develop its brand image*

In the highly competitive automotive industry, it is critical to maintain and develop a brand image. In order to maintain and develop a brand image, it is necessary to further increase customers' confidence by providing safe, high quality products that meet customer preferences and demand. If Toyota is unable to effectively maintain and develop its brand image as a result of its inability to provide safe, high quality products or as a result of the failure to promptly implement safety measures such as recalls when necessary, vehicle unit sales and/or sale prices may decrease, and as a result revenues and profits may not increase as expected or may decrease, adversely affecting its financial condition and results of operations.

*Toyota relies on suppliers for the provision of certain supplies including parts, components and raw materials*

Toyota purchases supplies including parts, components and raw materials from a number of external suppliers located around the world. For some supplies, Toyota relies on a single supplier or a limited number of suppliers, whose replacement with another supplier may be difficult. Inability to obtain supplies from a single or limited source supplier may result in difficulty obtaining supplies and may restrict Toyota's ability to produce vehicles. Furthermore, even if Toyota were to rely on a large number of suppliers, first-tier suppliers with whom Toyota directly transacts may in turn rely on a single second-tier supplier or limited second-tier suppliers. Toyota's ability to continue to obtain supplies from its suppliers in a timely and cost-effective manner is subject to a number of factors, some of which are not within Toyota's control. These factors include the ability of Toyota's suppliers to provide a continued source of supply, and Toyota's ability to effectively compete and obtain competitive prices from suppliers. A loss of any single or limited source supplier or inability to obtain supplies from suppliers in a timely and cost-effective manner could lead to increased costs or delays or

suspensions in Toyota's production and deliveries, which could have an adverse effect on Toyota's financial condition and results of operations.

*The worldwide financial services industry is highly competitive*

The worldwide financial services industry is highly competitive. 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, an increase in the ratio of credit losses and increased funding costs are factors which may impact Toyota's financial services operations. If Toyota is unable to adequately respond to the changes and competition in automobile financing, Toyota's financial services operations may adversely affect its financial condition and results of operations.

*Toyota's operations and vehicles rely on various digital and information technologies*

Toyota depends on various information technology networks and systems, some of which are managed by third parties, to process, transmit and store electronic information, including sensitive data, and to manage or support a variety of business processes and activities, including manufacturing, research and development, supply chain management, sales and accounting. In addition, Toyota's vehicles may rely on various digital and information technologies, including information service and driving assistance functions. Despite security measures, Toyota's digital and information technology networks and systems may be vulnerable to damage, disruptions or shutdowns due to attacks by hackers, computer viruses, breaches due to unauthorised use, errors or malfeasance by employees and others who have or gain access to the networks and systems Toyota depends on, service failures or bankruptcy of third parties such as software development or cloud computing vendors, power shortages and outages, and utility failures or other catastrophic events like natural disasters. Such incidents could materially disrupt critical operations, disclose sensitive data, interfere with information services and driving assistance functions in Toyota's vehicles, and/or give rise to legal claims or proceedings, liability or regulatory penalties under applicable laws, which could have an adverse effect on Toyota's brand image and 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 Russian ruble, 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 translation risk, and changes in foreign currency exchange rates may also affect the price of products sold and materials purchased by Toyota in foreign currencies through transaction risk. In particular, strengthening of the Japanese yen against the U.S. dollar can have an adverse effect on Toyota's operating results.

Toyota believes that its use of certain derivative financial instruments including foreign exchange forward contracts and 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. 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's suppliers could negatively impact Toyota's profitability*

Increases in 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 higher production costs for parts and components. This could, in turn, negatively impact Toyota's future profitability because Toyota may not be able to pass all those costs on to its customers or require its suppliers to absorb such costs.

*A downturn in the financial markets could adversely affect Toyota's ability to raise capital*

Should the world economy suddenly deteriorate, a number of financial institutions and investors will face difficulties in providing capital to the financial markets at levels corresponding to their own financial capacity, and, as a result, there is a risk that companies may not be able to raise capital under terms that they would expect to receive with their creditworthiness. If Toyota is unable to raise the necessary capital under appropriate conditions on a timely basis, Toyota's financial condition and results of operations may be adversely affected.

***Political, Regulatory, Legal and Other 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. In particular, automotive manufacturers such as Toyota are required to implement safety measures such as recalls for vehicles that do not or may not comply with the safety standards of laws and governmental regulations. In addition, Toyota may, in order to reassure its customers of the safety of Toyota's vehicles, decide to voluntarily implement recalls or other safety measures even if the vehicle complies with the safety standards of relevant laws and governmental regulations. Many governments also impose tariffs and other trade barriers, taxes and levies, or enact price or exchange controls. Toyota has incurred, and expects to incur in the future, significant costs in complying with these regulations. If Toyota launches products that result in safety measures such as recalls, Toyota may incur various costs including significant costs for free repairs. Furthermore, new legislation or changes in existing legislation may also subject Toyota to additional expenses in the future. If Toyota incurs significant costs related to implementing safety measures or meeting laws and governmental regulations, Toyota's financial condition and results of operations may be adversely affected.

*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 may also be subject to legal proceedings brought by its shareholders and governmental proceedings and investigations. Toyota is in fact currently subject to a number of pending legal proceedings and government investigations. A negative outcome in one or more of these pending legal proceedings could adversely affect Toyota's 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" contained in TMC's Annual Report on Form 20-F which is incorporated by reference into this Prospectus.

*Toyota may be adversely affected by natural calamities, political and economic instability, fuel shortages or interruptions in social infrastructure, wars, terrorism and labour strikes*

Toyota is subject to various risks associated with conducting business worldwide. These risks include natural calamities, political and economic instability, fuel shortages, interruption in social infrastructure including energy supply, transportation systems, gas, water or communication systems resulting from natural hazards or technological hazards, wars, terrorism, labour strikes and work stoppages. Should the major markets in which Toyota purchases materials, parts and components and supplies for the manufacture of Toyota products or in which Toyota's products are produced, distributed or sold be affected by any of these events, it may result in disruptions and delays in the operations of Toyota's business. Should significant or prolonged disruptions or delays related to Toyota's business operations occur, it may 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**

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

A 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:

## *General*

If an investor chooses to sell its Notes issued under the Programme in the open market at any time prior to the maturity of the Notes, the price the investor will receive from a purchaser may be less than its original investment, and may be less than the amount due to be repaid at the maturity of the Notes if an investor were to hold onto the Notes until that time. Factors that will influence the price received by investors who choose to sell their Notes in the open market may include, but are not limited to, market appetite, inflation, the period of time remaining to maturity of the Notes, prevailing interest rates, the financial position of the relevant Issuer and whether the relevant Issuer hedged its payment obligations with the Purchaser involved in the initial distribution of the Notes.

*Fixed Rate Notes bear interest at a fixed rate, which may affect the secondary market value and/or the real value of the Notes over time due to fluctuations in market interest rates and the effects of inflation*

Fixed Rate Notes bear interest at a fixed rate. Investors should note that (i) if market interest rates start to rise then the income to be paid on the Notes might become less attractive and the price the investors get if they sell such Notes could fall (however, the market price of the Notes has no effect on the interest amounts due on the Notes or what investors will be due to be repaid on the Maturity Date if the Notes are held by the investors until they expire); and (ii) inflation will reduce the real value of the Notes over time which may affect what investors can buy with their investments in the future and which may make the fixed interest rate on the Notes less attractive in the future.

*If the relevant Issuer has the right to redeem any Notes at its option, an investor may not be able to reinvest the redemption proceeds in a manner which achieves the return the investor would have received if the investor had been allowed to hold the Notes to maturity and the existence of the option may therefore adversely affect the market value and the secondary market for the Notes*

An optional redemption feature of Notes is likely to limit their market value and the secondary market for the Notes. 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.

*If the relevant Issuer has the right to convert the interest rate on the Notes from a fixed rate to a floating rate, or vice versa, the relevant Issuer is likely to exercise its rights in order to reduce the interest paid after the conversion, the spread on the new floating rate may be less favourable than prevailing floating rate spreads, the new fixed rate may be lower than the prevailing market rates and the existence of the conversion right may therefore adversely affect the market value and the secondary market for the 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. The interest rate conversion on Fixed/Floating Rate Notes may occur automatically or the rate conversion may occur upon the election of the Issuer. 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. Upon any conversion from a fixed rate to a floating rate, 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 prevailing rates on Fixed Rate Notes or the rates on other Notes. Upon any conversion from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing market interest rates.

*Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates*

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to 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 such securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

*Bearer Notes in NGN form and Registered Global Notes held under the NSS may not satisfy Eurosystem eligibility criteria*

Bearer Notes in new global note (NGN) form and Registered Global Notes held under the new safekeeping structure (NSS) allow for the possibility of Notes being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the “Eurosystem”) and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time. Investors should make their own assessment as to whether the Notes meet such Eurosystem eligibility criteria.

*Floating Rate Notes issued with a capped interest rate may bear less interest than a return on other investments*

Floating Rate Notes which are issued with a capped interest rate (“Capped Floating Rate Notes”) will never exceed the maximum rate of interest for a specified interest period, as specified in the applicable Final Terms for an issue of Capped Floating Rate Notes. Investors should note that if, during a specified interest period, the reference rate, in addition to the spread (as specified in the applicable Final Terms of an issue of Capped Floating Rate Notes) is less than the maximum rate of interest, the cumulative interest rate for the year will be less than the maximum rate of interest. The interest that investors receive on Capped Floating Rate Notes may be less than the return they could earn on Floating Rate Notes that are not capped, a Fixed Rate Note bearing interest at the capped rate or on other investments.

*If an Issuer has hedged its payment obligations on Notes with the Purchaser distributing the Notes, inclusion by a Purchaser in the Issue Price of the cost and profit, if any, of providing the hedge is likely to adversely affect secondary market prices for investors*

For some Notes, an Issuer may hedge its payment obligations under the Notes with the Purchaser distributing the Notes or a party related to the Purchaser. In those cases, assuming no change of market conditions or any other relevant factors, the price, if any, at which the Purchaser may be willing to purchase Notes in secondary market transactions will likely be lower than the Issue Price, because the Issue Price included, and secondary market prices are likely to exclude, the cost and profit, if any, of providing the hedge to the relevant Issuer as well as discounts or commissions charged by the Purchaser for distributing the Notes, and other transaction costs. If a Purchaser makes a market for Notes, the Purchaser may use proprietary pricing models to value Notes that require financial and market assumptions to be made as input for the model. The models and assumptions used may have a significant impact on the price, if any, that a Purchaser is willing to offer for Notes in the secondary market. In addition, any such prices may differ from values for Notes determined by pricing models used by the Purchaser, as a result of dealer mark-ups, commissions or other transaction costs.

***Notes denominated in Renminbi are subject to additional risks***

Notes denominated in Renminbi (“RMB Notes”) may be issued under the Programme. RMB Notes are subject to particular risks:

*Renminbi is not freely convertible and there are significant restrictions on remittance of Renminbi into and outside the PRC which may adversely affect the liquidity of RMB Notes*

Renminbi is not freely convertible at present. The government of the PRC (the “PRC Government”) continues to regulate conversion between Renminbi and foreign currencies, despite the significant reduction in control by the PRC Government in recent years over trade transactions involving the import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items. However, remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

On 13 October 2011, the People's Bank of China ("*PBoC*") promulgated the Administrative Measures on RMB Settlement of Foreign Direct Investment ("*PBoC RMB FDI Measures*") as part of the implementation of the PBoC's detailed RMB foreign direct investment ("*FDI*") accounts administration system. The system covers almost all aspects in relation to RMB FDI, including capital injections, payments for the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as Renminbi denominated cross-border loans. Under the PBoC RMB FDI Measures, special approval for RMB FDI and shareholder loans from the PBoC, which was previously required, is no longer necessary. However, in some cases, post-event filing with the PBoC is still necessary.

On 14 June 2012, the PBoC further promulgated the Notice on Clarifying the Detailed Operating Rules for RMB Settlement of Foreign Direct Investment ("*PBoC RMB FDI Notice*") to provide more detailed rules relating to cross-border Renminbi direct investments and settlement. This PBoC RMB FDI Notice details the rules for opening and operating the relevant accounts and reiterates the restrictions upon the use of the funds within different Renminbi accounts.

On 5 July 2013, the PBoC issued the Circular on Simplifying the Procedures for Cross-border Renminbi Transactions and Improving Relevant Policies (together with the PBoC RMB FDI Measures and PBoC RMB FDI Notice, the "*PBoC Rules*") which, among other things, provide more flexibility for fund transfers between the Renminbi accounts held by offshore participating banks at PRC onshore banks and offshore clearing banks respectively.

On 3 December 2013, the Ministry of Commerce of the PRC ("*MOFCOM*") promulgated the Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment (the "*MOFCOM Circular*"), which became effective on 1 January 2014, to further facilitate FDI by simplifying and streamlining the applicable regulatory framework. Pursuant to the MOFCOM Circular, written approval from the appropriate office of MOFCOM and/or its local counterparts is required for each FDI, specifying "Renminbi Foreign Direct Investment" and the amount of capital contribution. Unlike previous MOFCOM regulations on FDI, the MOFCOM Circular has removed the approval requirement for foreign investors who intend to change the currency of their existing capital contribution from a foreign currency to Renminbi. Consistent with the previous MOFCOM regulations on FDI, the MOFCOM Circular still expressly prohibits the FDI Renminbi funds from being used for any investment in securities and financial derivatives (except for investment in PRC listed companies by strategic investors) or for entrusted loans in the PRC.

On 13 February 2015, the State Foreign Exchange Administration (the "*SAFE*") promulgated the Notice on Further Simplifying and Improving Foreign Exchange Administration Policy of Direct Investment (Hui Fa (2015) No. 13) (the "*2015 SAFE Notice*"), which became effective on 1 June 2015. Under the 2015 SAFE Notice, the SAFE delegates the authority for approval/registration of foreign currency (including cross-border Renminbi) related matters for direct investment (internal and external) to designated foreign exchange banks.

On 30 March 2015, SAFE promulgated the Circular on Reforming Foreign Exchange Capital Settlement for Foreign Invested Enterprises (the "*SAFE Circular*", together with the 2015 SAFE Notice, the "*SAFE Rules*"), which became effective on and from 1 June 2015. The SAFE Circular allows foreign-invested enterprises to settle 100 per cent. (tentative) of the foreign currency capital (that has been processed through SAFE's equity interest confirmation proceedings for capital contribution in cash or registered by a bank on SAFE's system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs, although SAFE reserves its authority to reduce the proportion of foreign currency capital that can be settled in such manner in the future. The SAFE Circular continues to require that capital contributions should be applied within the business scope of a foreign-invested enterprise for purposes that are legitimate and for that foreign-invested enterprise's own operations; with respect to the Renminbi proceeds obtained through the aforementioned settlement procedure, the SAFE Circular prohibits such proceeds from being applied outside the business scope of the foreign-invested enterprise or for any purposes prohibited by law, or applied (i) directly or indirectly to securities investments (unless otherwise permitted in law), (ii) directly or indirectly to granting entrusted loans or repaying inter-company lending (including advance payment made by third parties) or bank loans that have been on lent to third parties, or (iii) purchasing non-self-use real estate (unless it is a real estate company). In addition, the SAFE Circular allows foreign-invested investment companies, foreign-invested venture capital firms and foreign-invested equity investment companies to make equity investment through Renminbi funds to be settled, or those

already settled, from their foreign currency capital by transferring such settled Renminbi funds into accounts of invested enterprises, according to the actual investment scale of the proposed equity investment projects.

On 5 June 2015, PBoC promulgated an order to revise certain existing PBoC regulations, to reflect the reform to a new registered capital system of PRC-incorporated companies under the PRC Company Law effective as of 1 March 2014 (the “PBoC Order”). Among other things, PBoC confirmed in the PBoC Order that capital verification of a foreign-invested enterprise under article 10 of the PBoC RMB FDI Measures is no longer a mandatory procedure before the establishment, and the requirement under the PBoC RMB FDI Notice that a foreign-invested enterprise is not allowed to borrow offshore RMB funds until its registered capital is paid up in full and as scheduled is also abolished.

As the MOFCOM Circular, the PBoC Rules, the SAFE Rules and the PBoC Order are relatively new regulations, they will be subject to further interpretation and application by the relevant PRC authorities.

There is no assurance that the PRC Government will continue to liberalise control over cross-border Renminbi remittances in the future, that any pilot schemes for Renminbi cross-border liberalisation will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital accounts items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the relevant Issuer to source Renminbi to finance its obligations under RMB Notes.

Noteholders may be required to provide certifications and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

*There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the relevant Issuer’s ability to source Renminbi to service such RMB Notes*

As a result of the restrictions imposed by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. Since February 2004, the PBoC has established a Renminbi clearing and settlement system for participating banks in Singapore, Hong Kong, Macau, Taiwan, London, Frankfurt, Seoul, Toronto, Sydney, Doha, Paris, Luxembourg, Kuala Lumpur, Bangkok, Johannesburg, Hungary and Chile (the “RMB Settlement Centres”). A bank designated by the PBoC for each RMB Settlement Centre (each an “RMB Clearing Bank”) has entered into settlement agreements with the PBoC to act as the RMB Clearing Bank in the respective RMB Settlement Centre.

While the PBoC has established Renminbi clearing and settlement mechanisms for participating banks in the RMB Settlement Centres through settlement agreements on the clearing of Renminbi business with RMB Clearing Banks, the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by the PBoC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBoC. These banks are only allowed to square their open positions with the relevant RMB Clearing Bank after consolidating the Renminbi trade position of banks outside the RMB Settlement Centres that are in the same bank group of the participating banks concerned with their own trade position, and the RMB Clearing Bank only has access to onshore liquidity support from the PBoC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement.

The relevant RMB Clearing Bank is not obliged to square for participating banks holding open positions as a result of other foreign exchange transactions or conversion services and the participating banks will therefore need to source Renminbi from outside the PRC to square such open positions.



On 14 June 2012, the Hong Kong Monetary Authority (“HKMA”) introduced a facility for providing Renminbi liquidity to authorised institutions participating in Renminbi business (“Participating AIs”) in Hong Kong. The facility will make use of the currency swap arrangement between the PBoC and the HKMA. With effect from 15 June 2012, the HKMA will, in response to requests from individual Participating AIs, provide Renminbi term funds to the Participating AIs against eligible collateral acceptable to the HKMA. The facility is intended to address short-term Renminbi liquidity tightness which may arise from time to time, for example, due to capital market activities or the sudden need for Renminbi liquidity by the Participating AIs’ overseas bank customers.

On 25 July 2013, the HKMA announced that two enhancements have been introduced to the operation of the Renminbi liquidity facility with effect from 26 July 2013. First, in addition to providing funds of one-week tenor on a T+1 basis, the existing facility will provide one-day funds which will also be available on the next day (T+1). The HKMA will continue to make use of the swap agreement with the PBoC in providing such funds. Second, overnight funds, available on the same day (T+0), will be provided to help banks meet their liquidity needs. The HKMA will use its own source of Renminbi funds in the offshore market to provide such lending, and expects that the amount of overnight funds to be provided will be up to RMB 10 billion in total on a single day.

On 3 November 2014, the HKMA introduced a further enhancement to the Renminbi liquidity facility that with effect from 10 November 2014, the HKMA will provide intraday Renminbi funds of up to RMB 10 billion to assist Participating AIs in managing their Renminbi liquidity and promote efficient payment flows in Hong Kong.

Additional refinements made, in early 2015, by the HKMA to the operation of the Renminbi liquidity facility have included extending the operating hours, providing automated delivery-versus-payment settlement of overnight facilities and adjustment to the calculations of the interest rates on the Renminbi intraday and overnight funds under the Renminbi liquidity facility. The HKMA have indicated that they will continue to review the terms and conditions of the facility in light of actual operating experience.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the settlement agreements between the relevant RMB Clearing Bank and PBoC will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of RMB Notes. There is no assurance that the relevant Issuer will be able to source Renminbi outside the PRC to service such RMB Notes on satisfactory terms, if at all. If certain events occur (such as illiquidity, inconvertibility or non-transferability in respect of Renminbi) which result in the relevant Issuer being unable to make payments in Renminbi, the relevant Issuer’s obligation to make such payments in Renminbi under the terms of the RMB Notes is replaced by an obligation to make such payments in U.S. dollars pursuant to Condition 5(h) under “*Terms and Conditions of the Notes*”.

*An investment in RMB Notes is subject to exchange rate risks*

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. Except in the limited circumstances stipulated in Condition 5(h), all payments of interest and principal with respect to RMB Notes will be made in Renminbi. As a result, the value of these Renminbi payments in U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of an investment in RMB Notes in U.S. dollar or other applicable foreign currency terms will decline.

*An investment in fixed rate RMB Notes is subject to interest rate risks*

The PRC Government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. If a RMB Note carries a fixed interest rate, then the trading price of such RMB Notes will vary with the fluctuations in Renminbi interest rates. If an investor in RMB Notes tries to sell such RMB Notes, then it may receive an offer that is less than the amount invested.

*Payments in respect of RMB Notes will only be made to investors in the manner specified for such RMB Notes in the “Terms and Conditions of the Notes”*

Investors may be required to provide certificates and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong (or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms). Except in the limited circumstances stipulated in Condition 5(h) under “*Terms and Conditions of the Notes*”, all payments to investors in respect of RMB Notes will be made solely (i) for as long as such RMB Notes are represented by a global Note, by transfer to a Renminbi bank account maintained in Hong Kong (or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms) in accordance with prevailing rules and procedures of Euroclear Bank SA/NV, Clearstream Banking, *société anonyme* or any alternative clearing system as applicable, or (ii) for so long as such RMB Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong (or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms) in accordance with prevailing rules and regulations. Other than as provided in Condition 5(h), the relevant Issuer cannot be required to make payment by any other means (including, but not limited to, in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

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

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

*The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors*

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.

*The Notes may be subject to withholding taxes in circumstances where the relevant Issuer is not obliged to make gross up payments and this would result in holders receiving less interest than expected and could adversely affect their return on the Notes*

### ***EU Savings Directive***

Under Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the “*EU Savings Directive*”), Member States are required to provide to the tax authorities of another Member State details of certain payments of interest or similar income (similar income for this purpose includes, but is not limited to, payments on redemption of the Notes representing any discount on the issue of Notes or any premium payable on redemption) paid or secured by a person established in a Member State to, or for the benefit of, an individual resident in that other Member State or certain limited types of entities established in that other Member State.

For a transitional period, Austria is instead required (unless during such period it elects otherwise) to levy a withholding tax at a rate of currently 35 per cent. in relation to such payments. Luxembourg, which before 1 January 2015 also operated a withholding tax under the transitional rules, has now replaced such withholding tax with the information reporting regime described above. The transitional period will end after agreement on exchange of information is reached between the EU and certain non-EU states.

A number of non-EU countries and territories, including Switzerland and certain British and Dutch dependent or associated territories, have adopted equivalent measures (a withholding system in the case of Switzerland).

On 24 March 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the requirements described above (the “*Amending Directive*”). The Amending Directive requires Member States to apply these new requirements from 1 January 2017 and if they were to take effect, the changes would expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. They would also expand the circumstances in which payments must be reported or subject to withholding. The EU Savings Directive will apply a “look through approach” to payments made via certain persons, entities or legal arrangements (including trusts and partnerships), where certain conditions are satisfied,

where an individual resident in a Member State is regarded as the beneficial owner of the payment for the purposes of the EU Savings Directive. This approach may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

Notwithstanding the above, the European Commission has proposed the repeal of the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on administrative cooperation in the field of taxation (as amended by Council Directive 2014/107/EU). The new regime under Council Directive 2011/16/EU (as amended) is in accordance with the global standard for automatic exchange of information published by the Organisation for Economic Co-operation and Development in July 2014. Council Directive 2011/16/EU (as amended) is generally broader in scope than the EU Savings Directive, although it does not impose withholding taxes. The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

If a payment were to be made or collected through a Member State which has opted for a withholding system, or through a non-EU country or territory (including Switzerland) which has adopted measures implementing, complying with or introduced in order to conform to the EU Savings Directive and 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*”) nor any other person would be obliged to pay additional amounts with respect to any Notes as a result of the imposition of such withholding tax. Each Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the EU Savings Directive or any law implementing or complying with, or introduced to conform to, the EU Savings Directive.

Investors who are in any doubt as to their position should consult their professional advisors.

#### *Withholding under the U.S. Foreign Account Tax Compliance Act (“FATCA”)*

Under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, any regulations or other guidance promulgated thereunder or any official interpretations thereof (including under an agreement described under Section 1471(b)), or under any intergovernmental agreement implementing an alternative approach thereto or any implementing law in relation thereto (collectively, “FATCA”), proceeds from the sale, retirement or other disposition of, and payments of premium (if any) and interest (including original issue discount, if any) on Notes issued by TMCC may be subject to a 30 per cent. gross basis withholding tax if any of such payments are made to a “foreign financial institution” or a “foreign non-financial entity” within the meaning of FATCA, unless certain procedural requirements are satisfied and certain information is provided to the U.S. Internal Revenue Service (“IRS”).

Payments of interest (including original issue discount, if any) on Notes issued by TMCC generally will be subject to FATCA withholding, and from 1 January 2017 all other amounts payable on, or gross proceeds from the sale or other disposition of, Notes issued by TMCC will become subject to FATCA withholding.

Payments with respect to Notes issued by TMF, TFA or TCCI generally should not be subject to FATCA withholding. Nevertheless, if any of TMF, TFA or TCCI were to be treated as a foreign financial institution, it is possible that payments made by each such entity, as applicable, after 31 December 2016 on Notes issued after the date that is six months after final regulations are published that define “foreign passthru payments” for purposes of FATCA would be subject to FATCA withholding in respect of the portion of any such payments as are considered to be “foreign passthru payments” under FATCA.

No additional amounts will be paid by the relevant Issuer in respect of any U.S. tax withheld or deducted under or in respect of FATCA. Under certain circumstances, a Non-U.S. Holder (as defined below in “*Taxation—United States*”) of the Notes might be eligible for refunds or credits of such taxes. Prospective investors are encouraged to consult with their own tax advisers regarding the possible implications of this legislation on their investment in the Notes.

*FATCA withholding on payments on Notes issued by TMF, TFA or TCCI paid through non-compliant custodians or other intermediaries*

Whilst the Notes issued by TMF, TFA or TCCI are in global form and held within Euroclear Bank SA/NV and Clearstream Banking, *société anonyme* (together, the “ICSDs”), in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the ICSDs. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate beneficial owner of a Note if any such custodian or intermediary generally is unable to receive payments free of withholding under FATCA and the relevant Notes are treated, for U.S. federal tax purposes, either as equity instruments or as issued after the date that is six months after the publication of final regulations defining the term “foreign passthru payments” for purposes of FATCA. FATCA also may affect payment to any ultimate beneficial owner that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate beneficial owner that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of withholding under FATCA. Prospective investors should choose custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of withholding under FATCA. Prospective investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. Pursuant to the Terms and Conditions of the Notes, an Issuer’s obligations under the Notes are discharged once it has paid the common depository or common safekeeper for the ICSDs (as holder of the Notes) and neither the relevant Issuer nor any Paying Agent will be required to pay additional amounts should withholding under FATCA apply to any amount transmitted through the ICSDs and thereafter through custodians or other intermediaries.

*The value of the Notes could be adversely affected by a change of English law or administrative practice*

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. 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 issue of this Prospectus and any such change could adversely affect the value of any Notes affected by it.

*Investors who purchase Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Notes are subsequently required to be issued*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination, 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. 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 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.

If such Notes in definitive form 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:

*If an investor holds Notes which are not denominated in the investor’s home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding and, in addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes*

The principal of or any interest on Notes will be payable in a Specified Currency. 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 a Specified Currency 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. 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, including the volatility of such Specified Currency, 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 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, a Specified Currency (other than solely the Investor’s Currency), 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 or Coupon 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.

*An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes*

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 which may include 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 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.

If the level of global credit market conditions experienced during Toyota's financial year ended 31 March 2009 were to recur at the same level or worsen, 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.

***Credit ratings may not reflect the risk associated with an investment in the Notes***

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.

***Ratings of the Notes***

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("ESMA") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication on the ESMA list. Where a Tranche of Notes is rated, such rating will be specified in the applicable Final Terms and certain information with respect to the credit rating agencies will be disclosed in the applicable Final Terms.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Australian Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located.

***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.

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. 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.

## DOCUMENTS INCORPORATED BY REFERENCE

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) which have been published or are published simultaneously with this Prospectus and have been approved by the Financial Conduct Authority or the Central Bank of Ireland or filed with the Financial Conduct Authority or the Central Bank of Ireland, as the case may be, shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) the Annual Financial Reports of TMF for the financial years ended 31 March 2015 and 31 March 2014 (2015: [http://www.rns-pdf.londonstockexchange.com/rns/7237U\\_-2015-7-31.pdf](http://www.rns-pdf.londonstockexchange.com/rns/7237U_-2015-7-31.pdf) and 2014: [http://www.rns-pdf.londonstockexchange.com/rns/9323N\\_-2014-7-31.pdf](http://www.rns-pdf.londonstockexchange.com/rns/9323N_-2014-7-31.pdf));
- (b) the Annual Financial Report of TCCI for the year ended 31 March 2015 in respect of the financial years ended 31 March 2015 and 31 March 2014 ([http://www.rns-pdf.londonstockexchange.com/rns/7774U\\_-2015-7-31.pdf](http://www.rns-pdf.londonstockexchange.com/rns/7774U_-2015-7-31.pdf));
- (c) the Annual Financial Reports of TFA for the financial years ended 31 March 2015 and 31 March 2014 (2015: [http://www.rns-pdf.londonstockexchange.com/rns/7299U\\_-2015-7-31.pdf](http://www.rns-pdf.londonstockexchange.com/rns/7299U_-2015-7-31.pdf) and 2014: [http://www.rns-pdf.londonstockexchange.com/rns/9364N\\_-2014-7-31.pdf](http://www.rns-pdf.londonstockexchange.com/rns/9364N_-2014-7-31.pdf));
- (d) TMCC's Annual Report on Form 10-K for the year ended 31 March 2015 in respect of the financial years ended 31 March 2015 and 31 March 2014 ([http://www.rns-pdf.londonstockexchange.com/rns/0192P\\_-2015-6-2.pdf](http://www.rns-pdf.londonstockexchange.com/rns/0192P_-2015-6-2.pdf)) and TMCC's Quarterly Report on Form 10-Q for the quarter ended 30 June 2015 ([http://www.rns-pdf.londonstockexchange.com/rns/4487V\\_-2015-8-7.pdf](http://www.rns-pdf.londonstockexchange.com/rns/4487V_-2015-8-7.pdf));
- (e) the Parent's Annual Report on Form 20-F for the year ended 31 March 2015 in respect of the financial years ended 31 March 2015 and 31 March 2014 ([http://www.rns-pdf.londonstockexchange.com/rns/0281R\\_-2015-6-24.pdf](http://www.rns-pdf.londonstockexchange.com/rns/0281R_-2015-6-24.pdf)) and the Parent's Unaudited Consolidated Financial Statements for the three month period ended June 30, 2015 ([http://www.rns-pdf.londonstockexchange.com/rns/2354X\\_-2015-8-27.pdf](http://www.rns-pdf.londonstockexchange.com/rns/2354X_-2015-8-27.pdf));
- (f) the "Terms and Conditions of the Notes" section from each of the Prospectuses published by the Issuers dated:
  - (i) 12 September 2014 ([http://www.rns-pdf.londonstockexchange.com/rns/0365W\\_-2015-8-13.pdf](http://www.rns-pdf.londonstockexchange.com/rns/0365W_-2015-8-13.pdf))
  - (ii) 13 September 2013 ([http://www.rns-pdf.londonstockexchange.com/rns/4505P\\_-2014-8-18.pdf](http://www.rns-pdf.londonstockexchange.com/rns/4505P_-2014-8-18.pdf));
  - (iii) 14 September 2012 ([http://www.rns-pdf.londonstockexchange.com/rns/2130L\\_-2013-8-7.pdf](http://www.rns-pdf.londonstockexchange.com/rns/2130L_-2013-8-7.pdf));
  - (iv) 16 September 2011 ([http://www.rns-pdf.londonstockexchange.com/rns/7824K\\_-2012-8-24.pdf](http://www.rns-pdf.londonstockexchange.com/rns/7824K_-2012-8-24.pdf));
  - (v) 17 September 2010 ([http://www.rns-pdf.londonstockexchange.com/rns/4016O\\_12-2011-9-16.pdf](http://www.rns-pdf.londonstockexchange.com/rns/4016O_12-2011-9-16.pdf));
  - (vi) 18 September 2009 ([http://www.rns-pdf.londonstockexchange.com/rns/4016O\\_13-2011-9-16.pdf](http://www.rns-pdf.londonstockexchange.com/rns/4016O_13-2011-9-16.pdf));
  - (vii) 26 September 2008 ([http://www.rns-pdf.londonstockexchange.com/rns/4016O\\_14-2011-9-16.pdf](http://www.rns-pdf.londonstockexchange.com/rns/4016O_14-2011-9-16.pdf)); and
- (g) the "Terms and Conditions of the Notes" section from the Offering Circular (the "*Offering Circular*") published by the Issuers dated 28 September 2007 ([http://www.rns-pdf.londonstockexchange.com/rns/4016O\\_15-2011-9-16.pdf](http://www.rns-pdf.londonstockexchange.com/rns/4016O_15-2011-9-16.pdf)),

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 Prospectus 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.

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 (d) and (e) 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 Financial Services and Markets Act 2000, and in accordance therewith file reports and other information with the UK Listing Authority and such reports can be found at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).

The documents referred to in paragraphs (a), (b), (c), (d) and (e) above have been filed with the UK National Storage Mechanism.

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 (in physical form) of any or all of the documents which are a part of this Prospectus or any Supplementary Prospectus filed with the UK Listing Authority or incorporated herein by reference. Such documents can also be found at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.



## 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 10 to 28. 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.

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's regulated market and other relevant stock exchanges during the period of twelve 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, and further amended on 4 March 2011 with respect to certain Notes (including unlisted Notes), does not exceed €50,000,000,000 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 Notes that are linked to an index or formula (Index Linked Notes), or where payment obligations under such Notes are denominated in more than one currency (Dual Currency Notes), shall be determined in the manner specified above in paragraph (a) by reference to the original nominal amount of such Notes; and
- (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.

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. 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 11 September 2015.

## FORM OF THE NOTES

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

- (i) if the global Notes are to be 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 one of the international central securities depositaries as common safekeeper (the “*Common Safekeeper*”) for Euroclear Bank SA/NV (“*Euroclear*”) and Clearstream Banking, société anonyme (“*Clearstream, Luxembourg*”); and
- (ii) if the global Notes are not to be 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 depositary for Euroclear and Clearstream, Luxembourg and/or a nominee for any other relevant clearing system (as applicable),

without interest coupons or talons.

Notes (including Notes in registered form issued by TCCI or TMCC, as described below) may be issued in a form that permits them to be held in a manner which will allow Eurosystem eligibility. Any indication in the applicable Final Terms that the Notes are to be so held means that the Notes are to be deposited with the Common Safekeeper (and, in the case of Notes in registered form issued by TCCI or TMCC, registered in the name of a nominee of the 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 as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. Any indication in the applicable Final Terms that the Notes are not to be so held means that should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting such criteria, the Notes may then be deposited with the Common Safekeeper (and in the case of Notes in registered form issued by TCCI or TMCC, registered in the name of a nominee of the 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 at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.

Where the global Notes issued in respect of any Tranche are in *NGN* form, Euroclear and/or Clearstream, Luxembourg will be notified whether such global Notes are intended to be held in a manner which would allow Eurosystem eligibility. If 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, 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; provided, however, that no such certification will be required with respect to Notes that, as specified in the applicable Final Terms (i) have been issued in reliance on the procedures under United States Treasury regulations Section 1.163-5(c)(2)(i)(C)) (the “*TEFRA C Rules*”) or (ii) have an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), a minimum denomination of \$500,000 (or the equivalent value in any other currency, determined at the spot rate on the issue date) and are intended to comply with United States Treasury regulations Section 1.6049-5(b)(10).

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 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) on 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 no such certification of non-U.S. beneficial ownership will be required with respect to Notes that, as specified in the applicable Final Terms (i) have been issued in compliance with the TEFRA C Rules or (ii) have an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), a minimum denomination of \$500,000 (or the equivalent value in any other currency, determined at the spot rate on the issue date) and are intended to comply with United States Treasury regulations Section 1.6049-5(b)(10).

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*”) 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 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 (free of charge) in whole, but not in part, for security printed definitive Notes with, where applicable, interest coupons and talons attached (i) at the request of the relevant Issuer; and/or (ii) 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 under “*Terms and Conditions of the Notes*”) 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 as a result of a change in tax laws after the issuance of the Notes 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 under *“Terms and Conditions of the Notes”* 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; provided, however, that no such certification of non-U.S. beneficial ownership will be required with respect to Notes that (i) are issued in reliance on the TEFRA C Rules or (ii) as specified in the applicable Final Terms, have an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), a minimum denomination of \$500,000 (or the equivalent value in any other currency, determined at the spot rate on the issue date) and are intended to comply with United States Treasury Regulations Section 1.6049-5(b)(10).

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 may be used in addition to or in lieu of Euroclear and Clearstream, Luxembourg provided that, in the case of an issue of Bearer Notes, such other clearance system is capable of complying with the certification requirements set forth in the Temporary Global Note or the Notes are issued in compliance with the TEFRA C Rules 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 or TMCC, 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 issued in bearer form which has an original maturity of more than 365 days (taking into consideration unilateral rights to roll or extend) issued by TMF, TCCI or TFA 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 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 or interest coupons.

For United States federal tax purposes each Temporary Global Note, each Permanent Global Note and each definitive Note issued in bearer form which has an original maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), a minimum denomination of \$500,000 (or the equivalent value in any other currency, determined at the spot rate on the issue date) and, as specified in the applicable Final Terms, is intended to comply with United States Treasury Regulations Section 1.6049-5(b)(10) 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:

“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 of the United States 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).”

Unless Notes issued by TMF, TCCI or TFA in bearer form will be issued, as specified in the applicable Final Terms, in compliance with the TEFRA C Rules, Notes issued by TMF, TCCI or TFA in bearer form will be issued in compliance with United States Treasury Regulation Section 1.163-5(c)(2)(i)(D) (the “*D Rules*”) and Notes issued by TMCC with maturities at issuance of 183 days or less (taking into consideration unilateral rights to roll or extend) and in a face amount or nominal amount of not less than U.S.\$500,000 (as determined based on the spot rate on the date of issuance if such Notes are issued in a currency other than U.S. dollars) that, as specified in the applicable Final Terms, 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).

TMCC will not issue notes in bearer form with a maturity at issuance of more than 183 days (taking into consideration unilateral rights to roll or extend).

Notes may be issued in registered form (“*Registered Notes*”) by either TCCI or TMCC, subject to applicable laws and regulations. Each Tranche of Registered Notes issued by TCCI or TMCC will be represented on issue by a registered global Note (each a “*Registered Global Note*”) which will be (a) if the applicable Final Terms specify the Registered Notes are intended to be held in a manner which would allow Eurosystem eligibility (being the new safekeeping structure (“*NSS*”)), deposited on the relevant Issue Date with the Common Safekeeper; or (b) if the applicable Final Terms specify the Registered Notes are not intended to be held in a manner which would allow Eurosystem eligibility, deposited on the relevant Issue Date with a nominee or a depositary or common depositary for the agreed clearing system(s). 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 11 September 2015 (the “*TCCI Note Agency Agreement*”), and TMCC has appointed under a note agency agreement dated 11 September 2015 (the “*TMCC Note Agency Agreement*”), a registrar and a transfer agent and paying agent and may appoint other or additional transfer agents or paying agents, either generally or in respect of a particular Series of Registered Notes.

The applicable Final Terms will specify whether the Notes will be represented by:

- (i) a Temporary Global Note in bearer form without Coupons which will be deposited with a common depositary or, as the case may be, a common safekeeper for Euroclear and Clearstream, Luxembourg on or about the Issue Date or a date as specified in the applicable Final Terms; and that the Temporary Global Note is exchangeable for a Permanent Global Note in bearer form on and after the Exchange Date and (except for Notes (x) with an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), a minimum denomination of \$500,000 (or its equivalent value in any other currency, determined at the spot rate on the Issue Date) and specified in the applicable Final Terms as intended to comply with United States Treasury Regulations Section 1.6049-5(b)(10) and (y) as specified in the applicable Final Terms, that have been issued in reliance on TEFRA C Rules) upon certification of non-U.S. beneficial ownership; or
- (ii) a Temporary Global Note in bearer form without Coupons which will be deposited with a common depositary or, as the case may be, a common safekeeper for Euroclear and Clearstream, Luxembourg on or about the Issue Date or a date as specified in the applicable Final Terms; and that the Temporary Global Note is exchangeable for security printed definitive Notes on and after the Exchange Date and (except for Notes (x) with an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend), a minimum denomination of \$500,000 (or its equivalent value in any other currency, determined at the spot rate on the Issue Date) and specified in the applicable Final Terms as intended to comply with



United States Treasury Regulations Section 1.6049-5(b)(10) and (y) as specified in the applicable Final Terms, that have been issued in reliance on TEFRA C Rules) upon certification of non-U.S. beneficial ownership; or

- (iii) a Permanent Global Note in bearer form without Coupons which will be deposited with a common depository or, as the case may be, a common safekeeper for Euroclear and Clearstream, Luxembourg on or about the Issue Date or a date as specified in the applicable Final Terms; and that the Permanent Global Note is exchangeable (free of charge) in whole, but not in part, for security printed definitive Notes either (a) at the request of the relevant Issuer; and/or (b) upon the occurrence of an Exchange Event (as defined in the Permanent Global Note); or
- (iv) in the case of TCCI or TMCC only, a Registered Global Note registered in the name of a nominee for CDS Clearing and Depository Services Inc. (in the case of TCCI only) or a common depository for Euroclear and Clearstream, Luxembourg or a common safekeeper for Euroclear and Clearstream, Luxembourg or any other clearing system exchangeable (free of charge) for security printed definitive Notes only upon an Exchange Event (as defined in the Registered Global Note).

The exchange of a Permanent Global Note or a Registered Global Note for printed definitive Notes by Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any Noteholder) or at any time at the request of the relevant Issuer should not be expressed to be applicable in the applicable Final Terms if the Notes are issued with a minimum Specified Denomination such as €100,000 (or its equivalent in another currency) plus one or more higher multiples of another smaller amount such as €1,000 (or its equivalent in another currency). Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for printed definitive Notes.

Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005.

Each Issuer may agree with any Dealer that there may be a secondary distribution (“*Uridashi*”) of the Notes (“*Uridashi Notes*”) to be made in Japan in compliance with the terms of a securities registration statement, amendments thereto and supplemental documents that have been, or will be, filed by the relevant Issuer with the Director-General of the Kanto Local Finance Bureau of the Ministry of Finance of Japan with respect to such secondary distribution of *Uridashi* Notes in Japan and in accordance with the Financial Instruments and Exchange Law of Japan or under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities in effect at the relevant time.

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 new Prospectus will be made available which will describe the effect of the agreement reached in relation to such Notes.

**FORM OF FINAL TERMS IN CONNECTION WITH ISSUES OF NOTES WITH A  
DENOMINATION OF AT LEAST €100,000 (OR EQUIVALENT IN ANY OTHER  
CURRENCY) 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 €50,000,000,000**

**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 of the Notes set forth in the Prospectus dated 11 September 2015 [and the supplement[s] to it dated [date] [and [date]], including all documents incorporated by reference ([the Prospectus as so supplemented,] the “*Prospectus*”) which constitutes a base prospectus for the purposes of the Prospectus Directive (as defined below). This document constitutes the Final Terms of the Notes [described herein for the purposes of Article 5.4 of the Prospectus Directive – *remove for unlisted Notes*] and must be read in conjunction with the Prospectus. 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. The Prospectus has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

*[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 of the Notes (the “*Conditions*”) set forth in and extracted from the Prospectus/Offering Circular dated [original date] and which are incorporated by reference in the Prospectus dated 11 September 2015. This document constitutes the Final Terms of the Notes [described herein for the purposes of Article 5.4 of the Prospectus Directive (as defined below) – *remove for unlisted Notes*] and must be read in conjunction with the Prospectus dated 11 September 2015, including the Conditions which are incorporated by reference in it [and the supplement[s] to it dated [date] [and [date]], including all documents incorporated by reference ([the Prospectus as so supplemented,] the “*Prospectus*”) which constitutes a base prospectus for the purposes of the Prospectus Directive. 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. The Prospectus has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.]

The expression “*Prospectus Directive*” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure (for the purpose of the Prospectus, [the Terms and Conditions of the Notes set forth in the Prospectus]/[the Conditions] and these Final Terms) in the relevant Member State.

*[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 (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

1. (i) Issuer: [     ]
- (ii) Credit Support Providers: Toyota Motor Corporation  
Toyota Financial Services Corporation
2. [(i)] Series Number: [     ]
- [(ii)] Tranche Number: [     ]
- [(iii)] Uridashi Notes: [Applicable]/[Not Applicable]
- [(iv)] Date on which the Notes will be consolidated and form a single Series: [Not Applicable]/[The Notes shall be consolidated and form a single Series and be interchangeable for trading purposes with the *[insert description of the Series]* on *[insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 25 below [which is expected to occur on or about [insert date]]]*.]
3. Specified Currency: [     ]
4. Aggregate Nominal Amount: [     ]
- [(i)] Series: [     ]
- [(ii)] Tranche: [     ]
5. Issue Price: [     ] per cent. of the Aggregate Nominal Amount [plus [     ] days' accrued interest in respect of the period from, and including, *[insert date]* to, but excluding, *[insert date]* (if applicable)]
6. (i) Specified Denominations: [     ]  
[[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].]
- (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: [     ]/[Issue Date]/[Not Applicable]  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example, Zero Coupon Notes)*
8. Maturity Date: [     ]  
*[Fixed rate - Specify date / Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]*  
*(N.B. The Maturity Date may need to be not less than one year after the Issue Date and, in the case of Notes issued by TMF, should not be more than 50 years after the Issue Date)*



9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] month  
[LIBOR/EURIBOR/CAD-BA-CDOR] +/- [ ]  
per cent. Floating Rate]  
[Zero Coupon]  
(further particulars specified below)
10. Redemption Basis: Redemption at par
11. Change of Interest Basis: [Not Applicable]/[For the period from (and including) the Interest Commencement Date, up to (but excluding) [specify date] paragraph [16/17] applies and for the period from (and including) [specify date], up to (but excluding) the Maturity Date, paragraph [16/17] applies]
12. Put/Call Options: [Investor Put Option]  
[Issuer Call Option]  
[Issuer Maturity Par Call Option]  
[Issuer Make-Whole Call Option]  
[Not Applicable]  
[(further particulars specified below)]
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 11 September 2015
14. Date [Board]/[Executive Committee of the Board] approval for issuance of Notes obtained: [ ]
15. Negative Pledge covenant set out in Condition 3: [Applicable [Uridashi Notes only]]/[Not Applicable]

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

16. **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 [[ ] in arrear] on each Interest Payment Date[. The first Fixed Interest Period shall be the period commencing on, and including, the Interest Commencement Date and ending on, but excluding, [ ] (short first coupon)]
- (ii) Interest Payment Date(s): [ ] [and [ ]] in each year from, and including, [ ] up to, and including, the Maturity Date/[ ] [adjusted in accordance with the [Following Business Day Convention]/[Modified Following Business Day Convention]/[ ] [with the Additional Business Centres for the definition of “Business Day” being [ ]]] [adjusted]/[with no adjustment] for period end dates]/[. For the avoidance of doubt, the Fixed Coupon Amount [and the Broken Amount] shall remain unadjusted]

(iii)	Fixed Coupon Amount(s):	[ ] per Calculation Amount (applicable to [the Notes in definitive form]/[Uridashi Notes]) [and [ ] per Aggregate Nominal Amount of the Notes (applicable to the Notes in global form)], payable [[ ] in arrear] on each Interest Payment Date[, except for the amount of interest payable on the first Interest Payment Date falling on [ ]]. This Fixed Coupon Amount applies if the Notes are represented by a global Note or are in definitive form]
(iv)	Broken Amount(s):	[[ ] per Calculation Amount (applicable to [the Notes in definitive form]/[Uridashi Notes]) [and [ ] per Aggregate Nominal Amount of the Notes (applicable to the Notes in global form)], payable on the Interest Payment Date falling on [ ]]. This Broken Amount applies if the Notes are represented by a global Note or are in definitive form]/[Not Applicable]
(v)	[Fixed] Day Count Fraction:	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[30/360] / [Actual/360]/[Actual/Actual Canadian Compound Method]
(vi)	Determination Date(s):	[[ ] in each year]/[Not Applicable] <i>(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. Only relevant where the Fixed Day Count Fraction is Actual/Actual (ICMA))</i>
<b>17. Floating Rate Note Provisions</b>		[Applicable]/[Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Specified Period(s)/Specified Interest Payment Dates:	[ ] / [ ] in each year [subject to adjustment in accordance with the Business Day Convention set out in (iii) below]
(ii)	First Interest Payment Date:	[ ]
(iii)	Business Day Convention:	[Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]
(iv)	Additional Business Centre(s):	[ ]
(v)	Manner in which the Rate of Interest and Interest Amount is/are to be determined:	[Screen Rate Determination]/[ISDA Determination]
(vi)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent) (the “Calculation Agent”):	[ ]
(vii)	Screen Rate Determination:	[ ] month [LIBOR/EURIBOR/CAD-BA-CDOR]
	- Reference Rate:	
- Relevant Financial Centre:		[London/Brussels/Toronto/specify other Relevant Financial Centre]

	- Interest Determination Date(s):	(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR or CAD-BA-CDOR and the second day on which TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
	- Relevant Screen Page:	(Insert page on which the Reference Rate is for the time being displayed on Reuters Monitor Money Rates Service or Dow Jones Markets Limited for LIBOR/EURIBOR/CAD-BA-CDOR) (In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate)
	- Specified Time:	[11:00 a.m. [London/Brussels] time] [In the case of LIBOR/EURIBOR] [10:00 a.m. Toronto time] [In the case of CAD-BA-CDOR]
(viii)	ISDA Determination:	
	- Floating Rate Option:	[     ]
	- Designated Maturity:	[     ]
	- Reset Date:	[     ] (The first day of the Interest Period)
(ix)	Linear Interpolation:	[Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period or Specified Period shall be calculated using Linear Interpolation (Specify for each short or long Interest Period)]
(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)]
18.	<b>Zero Coupon Note Provisions</b>	[Applicable]/[Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Accrual Yield:	[     ] per cent. per annum
	(ii) Reference Price:	[     ]
<b>PROVISIONS RELATING TO REDEMPTION</b>		
19.	<b>Issuer Call Option</b>	[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:	[     ] per Calculation Amount

	(iii)	If redeemable in part:	
	(a)	Minimum Redemption Amount:	[[ ] per Calculation Amount]/[Not Applicable]
	(b)	Maximum Redemption Amount:	[[ ] per Calculation Amount]/[Not Applicable]
	(iv)	Notice periods (if other than set out in the Conditions):	[Minimum period: [ ] days]/[Not Applicable] [Maximum period: [ ] days]/[Not Applicable]
20.	<b>Issuer Maturity Par Call Option</b>		[Applicable]/[Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
		[Notice periods (if other than set out in the Conditions):]	[Minimum period: [ ] days]/[Not Applicable] [Maximum period: [ ] days]/[Not Applicable]
21.	<b>Issuer Make-Whole Call Option</b>		[Applicable]/[Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a)	Optional Redemption Date(s):	[ ]/[at any time that is more than 90 days prior to the Maturity Date]
	(b)	Optional Redemption Amount of each Note:	[[ ] per Calculation Amount]/[Special Redemption Amount]
	(c)	Specified Time for Special Redemption Amount:	[ ]/[Not Applicable]
	(d)	Redemption Margin:	[[ ] per cent.]/[Not Applicable]
	(e)	If redeemable in part:	
	(i)	Minimum Redemption Amount:	[[ ] per Calculation Amount]/[Not Applicable]
	(ii)	Maximum Redemption Amount:	[[ ] per Calculation Amount]/[Not Applicable]
	(f)	Calculation Agent (if not the Agent) (the “ <i>Calculation Agent</i> ”):	[Not Applicable]/[ ]
	(g)	Notice periods (if other than set out in the Conditions):	[Minimum period: [ ] days]/[Not Applicable] [Maximum period: [ ] days]/[Not Applicable]
22.	<b>Investor Put Option</b>		[Applicable]/[Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i)	Optional Redemption Date(s):	[ ]
	(ii)	Optional Redemption Amount(s) of each Note:	[ ] per Calculation Amount
23.	<b>Final Redemption Amount</b>		[ ] per Calculation Amount
24.	<b>Early Redemption Amount</b>		
	Early Redemption Amount payable on redemption for taxation reasons or on event of default or other earlier redemption:		[ ] per Calculation Amount

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes: [     ]  
*(Insert description that is consistent with one of the options in the “Form of the Notes” section of the Prospectus)*
26. [New Global Note]/[New Safekeeping Structure]: [Yes]/[No]
27. Additional Financial Centre(s): [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraph 16(ii) or 17(iv) relates)*
28. Talons for future Coupons to be attached to definitive Notes: [No]/[Yes. As the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made.]
29. Spot Rate (if different from that set out in Condition 5(h)): [Not Applicable/give details]
30. Calculation Agent responsible for calculating the Spot Rate for the purposes of Condition 5(h) (if not the Agent): [Not Applicable/give details]
31. RMB Settlement Centre(s) for the purposes of Conditions 5(a) and 5(h): [Not Applicable/give details]

## 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:

[NAME OF ISSUER]

By: .....

Name:

Title:

*Duly authorised*

cc: The Bank of New York Mellon

[Registered Notes – Royal Bank of Canada (*TCCI only*)]

[Registered Notes – The Bank of New York Mellon (Luxembourg) S.A. (*TMCC only*)]

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and 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] and for listing on [the Official List of the UK Listing Authority] with effect from [ ].] / [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [London Stock Exchange's Regulated Market] and for listing on [the Official List of the UK Listing Authority] with effect from [ ].] / [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

Credit Ratings: [The Notes to be issued [have been]/[are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:  
[Moody's Japan K.K. ("Moody's Japan"): [ ]]  
[Moody's Investors Service, Inc. ("Moody's"): [ ]]  
[Standard & Poor's Ratings Japan K.K. ("Standard & Poor's Japan"): [ ]]  
(Need to include an explanation of the meaning of the ratings if this has previously been published by the rating provider.)  
(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)  
Moody's Japan, Moody's and Standard & Poor's Japan are not established in the European Union and have not applied for registration under Regulation (EC) No. 1060/2009 (the "CRA Regulation"). However, Moody's Investors Service Ltd. has endorsed the ratings of Moody's Japan and Moody's, and Standard & Poor's Credit Market Services Europe Limited has endorsed the ratings of Standard & Poor's Japan, in accordance with the CRA Regulation. Each of Moody's Investors Service Ltd. and Standard & Poor's Credit Market Services Europe Limited is established in the European Union and is registered under the CRA Regulation.  
[The Issuer has not applied to Moody's [Japan] or Standard & Poor's Japan for ratings to be assigned to the Notes.]  
Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 of Australia ("Australian Corporations Act") and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located.

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save [as discussed in “*Subscription and Sale*” in the Prospectus] / [for any fees payable to the [Purchasers/Dealers/Managers]], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. [The [Purchasers/Dealers/Managers] and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform the services for, the Issuer and its affiliates in the ordinary course of business.] (*Amend as appropriate if there are any 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 supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

### 4. Fixed Rate Notes only – YIELD

Indication of yield:

[     ]

Calculated as [*include specific details of method of calculation in summary form*] on the Issue Date.

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.

### 5. OPERATIONAL INFORMATION

(i) ISIN: [     ]

(ii) Common Code: [     ]

(iii) Any clearing system(s) other than Euroclear Bank SA/NV 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): [     ]

(vi) Deemed delivery of clearing system notices for the purposes of Condition 16 (*Notices*): Any notice delivered to Noteholders through the clearing systems will be deemed to have been given [on the third day after the day]/[on the day] on which it was given to [Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*][CDS Clearing and Depository Services Inc.].



- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes]/[No]/[Not Applicable]
- [Note that the designation “yes” means that the Notes are intended upon issue to be deposited with Euroclear Bank SA/NV or Clearstream Banking, *société anonyme* (the “ICSDs”) as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] *[include this text for registered Notes]* 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 as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.] / [Note that the designation “no” means that should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting such criteria, the Notes may then be deposited with Euroclear Bank SA/NV or Clearstream Banking, *société anonyme* (the “ICSDs”) as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] *[include this text for registered Notes]* 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 at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.] *(Include this text if “yes” or “no” is selected in which case bearer Notes must be held under the NSS.)*

## 6. DISTRIBUTION

- (i) Method of distribution: [Syndicated]/[Non-syndicated]
- (ii) If syndicated:
- (A) Names of Managers: [Not Applicable/*give names*]
- (B) Date of Syndicate Purchase Agreement: [ ]
- (C) Stabilising Manager(s) (if any): [ ]
- (iii) If non-syndicated, name of Dealer/Purchaser: [Not Applicable/*give name and address*]
- (iv) U.S. Selling Restrictions: [Reg. S Category 2; TEFRA C/TEFRA D/TEFRA Not Applicable]
- (TEFRA D, except for certification of non-U.S. beneficial ownership, will apply to all Notes issued by TMCC that have an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend))*
- (For Notes issued by TMF, TCCI and TFA, specify if Notes have been issued in reliance on either TEFRA C or TEFRA D)*

**FORM OF FINAL TERMS IN CONNECTION WITH ISSUES OF NOTES WITH A  
DENOMINATION OF LESS THAN €100,000 (OR EQUIVALENT IN ANY OTHER  
CURRENCY) 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 €50,000,000,000**

**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**

Any person making or intending to make an offer of the Notes may only do so:

- (i) [in those Public Offer Jurisdictions mentioned in Paragraph 9 of Part B below, provided such person is of a kind specified in that paragraph and that such offer is made during the Offer Period specified in that paragraph; or
- (ii) otherwise]<sup>1</sup> 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 (as defined below) or to 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.

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Prospectus dated 11 September 2015 [and the supplement[s] to it dated [date] [and [date]], including all documents incorporated by reference ([the Prospectus as so supplemented,] the “*Prospectus*”) which constitutes a base prospectus for the purposes of 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 – *remove for unlisted Notes*] and must be read in conjunction with the Prospectus. 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. A summary of the Notes (which comprises the summary in the Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Prospectus has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

*[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 of the Notes (the “*Conditions*”) set forth in and extracted from the Prospectus/Offering Circular dated [original date] and which are incorporated by reference in the Prospectus dated 11 September 2015. This document constitutes the Final Terms of the Notes [described herein for the purposes of Article 5.4 of the Prospectus Directive – *remove for unlisted Notes*] and must be read in conjunction with the Prospectus dated 11 September 2015, including the Conditions which are

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<sup>1</sup> Include this wording where a Non-exempt Offer of Notes is anticipated.

incorporated by reference in it [and the supplement[s] to it dated [date] [and [date]], including all documents incorporated by reference ([the Prospectus as so supplemented,] the “Prospectus”) which constitutes a base prospectus for the purposes of the Prospectus Directive. 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. A summary of the Notes (which comprises the summary in the Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Prospectus has been published on the website of the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.]

The expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure (for the purpose of the Prospectus, [the Terms and Conditions of the Notes set forth in the Prospectus]/[the Conditions] and these Final Terms) in the relevant Member State.

*[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 (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

1. (i) Issuer: [ ]
- (ii) Credit Support Providers: Toyota Motor Corporation  
Toyota Financial Services Corporation
2. [(i)] Series Number: [ ]
- [(ii)] Tranche Number: [ ]
- [(iii)] Uridashi Notes: [Applicable]/[Not Applicable]
- [(iv)] Date on which the Notes will be consolidated and form a single Series: [Not Applicable]/[The Notes shall be consolidated and form a single Series and be interchangeable for trading purposes with the *[insert description of the Series]* on *[insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 25 below [which is expected to occur on or about [insert date]].]*]
3. Specified Currency: [ ]
4. Aggregate Nominal Amount: [ ]
- [(i)] Series: [ ]
- [(ii)] Tranche: [ ]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus [ ] days’ accrued interest in respect of the period from and including *[insert date]* to, but excluding *[insert date]* (if applicable)]
6. (i) Specified Denominations: [ ]  
*[N.B. Notes must have a minimum denomination of EUR1,000 (or equivalent) if there is a listing on a regulated market in the EEA and/or if there is a Non-exempt Offer]*
- (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: [ ]/[Issue Date]/[Not Applicable]  
(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example, Zero Coupon Notes)
8. Maturity Date: [ ]  
[Fixed rate - Specify date / Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]  
(N.B. The Maturity Date may need to be not less than one year after the Issue Date and, in the case of Notes issued by TMF, should not be more than 50 years after the Issue Date)
9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] month [LIBOR/EURIBOR/CAD-BA-CDOR] +/-  
[ ] per cent. Floating Rate]  
[Zero Coupon]  
(further particulars specified below)
10. Redemption Basis: Redemption at par
11. Change of Interest Basis: [Not Applicable]/[For the period from (and including) the Interest Commencement Date, up to (but excluding) [specify date] paragraph [16/17] applies and for the period from (and including) [specify date], up to (but excluding) the Maturity Date, paragraph [16/17] applies]
12. Put/Call Options: [Investor Put Option]  
[Issuer Call Option]  
[Issuer Maturity Par Call Option]  
[Issuer Make-Whole Call Option]  
[Not Applicable]  
[(further particulars specified below)]
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 11 September 2015
14. Date [Board]/[Executive Committee of the Board] approval for issuance of Notes obtained: [ ]
15. Negative Pledge covenant set out in Condition 3: [Applicable [Uridashi Notes only]]/[Not Applicable]

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

16. **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 [[ ] in arrear] on each Interest Payment Date. The first Fixed Interest Period shall be the period commencing on, and including, the Interest Commencement Date and ending on, but excluding, [ ] (short first coupon)]

(ii)	Interest Payment Date(s):	[ ] [and [ ]] in each year from, and including, [ ] up to, and including, the Maturity Date/[ ] [adjusted in accordance with the [Following Business Day Convention]/ [Modified Following Business Day Convention]/ [ ] [with the Additional Business Centres for the definition of “Business Day” being [ ]] [[adjusted]/[with no adjustment] for period end dates]/[. For the avoidance of doubt, the Fixed Coupon Amount [and the Broken Amount] shall remain unadjusted]
(iii)	Fixed Coupon Amount(s):	[ ] per Calculation Amount (applicable to [the Notes in definitive form]/[Uridashi Notes]) [and [ ] per Aggregate Nominal Amount of the Notes (applicable to the Notes in global form)], payable [[ ] in arrear] on each Interest Payment Date[, except for the amount of interest payable on the first Interest Payment Date falling on [ ]]. This Fixed Coupon Amount applies if the Notes are represented by a global Note or are in definitive form]
(iv)	Broken Amount(s):	[[ ] per Calculation Amount (applicable to [the Notes in definitive form]/[Uridashi Notes]) [and [ ] per Aggregate Nominal Amount of the Notes (applicable to the Notes in global form)], payable on the Interest Payment Date falling on [ ]]. This Broken Amount applies if the Notes are represented by a global Note or are in definitive form]/[Not Applicable]
(v)	[Fixed] Day Count Fraction:	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[30/360]/[Actual/360]/[Actual/Actual Canadian Compound Method]
(vi)	Determination Date(s):	[[ ] in each year] / [Not Applicable] <i>(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. Only relevant where the Fixed Day Count Fraction is Actual/Actual (ICMA))</i>
17.	<b>Floating Rate Note Provisions</b>	[Applicable]/[Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Specified Period(s)/Specified Interest Payment Dates:	[ ] / [ ] in each year [subject to adjustment in accordance with the Business Day Convention set out in (iii) below]
(ii)	First Interest Payment Date:	[ ]
(iii)	Business Day Convention:	[Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]
(iv)	Additional Business Centre(s):	[ ]
(v)	Manner in which the Rate of Interest and Interest Amount is/are to be determined:	[Screen Rate Determination]/[ISDA Determination]

(vi)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent) (the “Calculation Agent”):	[      ]
(vii)	Screen Rate Determination:	
	- Reference Rate:	[      ] month [LIBOR/EURIBOR/CAD-BA-CDOR]
	- Relevant Financial Centre:	[London/Brussels/Toronto/specify other Relevant Financial Centre]
	- Interest Determination Date(s):	(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR or CAD-BA-CDOR and the second day on which TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
	- Relevant Screen Page:	(Insert page on which the Reference Rate is for the time being displayed on Reuters Monitor Money Rates Service or Dow Jones Markets Limited for LIBOR/EURIBOR/CAD-BA-CDOR) (In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate)
	- Specified Time:	[11:00 a.m. [London/Brussels] time] [In the case of LIBOR/EURIBOR]/ [10:00 a.m. Toronto time] [In the case of CAD-BA-CDOR]
(viii)	ISDA Determination:	
	- Floating Rate Option:	[      ]
	- Designated Maturity:	[      ]
	- Reset Date:	[      ] (The first day of the Interest Period)
(ix)	Linear Interpolation:	[Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period or Specified Period shall be calculated using Linear Interpolation (Specify for each short or long Interest Period)]
(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)]
18.	<b>Zero Coupon Note Provisions</b>	[Applicable]/[Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
(i)	Accrual Yield:	[      ] per cent. per annum

(ii) Reference Price: [ ]

## PROVISIONS RELATING TO REDEMPTION

19. **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: [ ] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [[ ] per Calculation Amount]/[Not Applicable]
- (b) Maximum Redemption Amount: [[ ] per Calculation Amount]/[Not Applicable]
- (iv) Notice periods (if other than set out in the Conditions): [Minimum period: [ ] days]/[Not Applicable]  
[Maximum period: [ ] days]/[Not Applicable]
20. **Issuer Maturity Par Call Option** [Applicable]/[Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Notice periods (if other than set out in the Conditions): [Minimum period: [ ] days]/[Not Applicable]  
[Maximum period: [ ] days]/[Not Applicable]
21. **Issuer Make-Whole Call Option** [Applicable]/[Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]/[at any time that is more than 90 days prior to the Maturity Date]
- (b) Optional Redemption Amount of each Note: [[ ] per Calculation Amount]/[Special Redemption Amount]
- (c) Specified Time for Special Redemption Amount: [ ]/[Not Applicable]
- (d) Redemption Margin: [ ] per cent.]/[Not Applicable]
- (e) If redeemable in part:
- (i) Minimum Redemption Amount: [[ ] per Calculation Amount]/[Not Applicable]
- (ii) Maximum Redemption Amount: [[ ] per Calculation Amount]/[Not Applicable]
- (f) Calculation Agent (if not the Agent) (the "Calculation Agent"): [Not Applicable]/[ ]
- (g) Notice periods (if other than set out in the Conditions): [Minimum period: [ ] days]/[Not Applicable]  
[Maximum period: [ ] days]/[Not Applicable]
22. **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: [ ] per Calculation Amount
23. **Final Redemption Amount** [ ] per Calculation Amount
24. **Early Redemption Amount**  
Early Redemption Amount payable on redemption for taxation reasons or on event of default or other earlier redemption: [ ] per Calculation Amount

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

25. Form of Notes: [ ]  
*(Insert description that is consistent with one of the options in the "Form of the Notes" section of the Prospectus)*
26. [New Global Note]/[New Safekeeping Structure]: [Yes]/[No]
27. Additional Financial Centre(s): [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraph 16(ii) or 17(iv) relates)*
28. Talons for future Coupons to be attached to definitive Notes: [No]/[Yes. As the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made.]
29. Spot Rate (if different from that set out in Condition 5(h)): [Not Applicable/give details]
30. Calculation Agent responsible for calculating the Spot Rate for the purposes of Condition 5(h) (if not the Agent): [Not Applicable/give details]
31. RMB Settlement Centre(s) for the purposes of Conditions 5(a) and 5(h): [Not Applicable/give details]



## 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:

[NAME OF ISSUER]

By: .....

Name:

Title:

*Duly authorised*

cc: The Bank of New York Mellon

[Registered Notes – Royal Bank of Canada (*TCCI only*)]

[Registered Notes – The Bank of New York Mellon (Luxembourg) S.A. (*TMCC only*)]

## PART B – OTHER INFORMATION

### 1. LISTING AND 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] and for listing on [the Official List of the UK Listing Authority] with effect from [ ].] / [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [London Stock Exchange's Regulated Market] and for listing on [the Official List of the UK Listing Authority] with effect from [ ].] / [Not Applicable.]

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

### 2. RATINGS

Credit Ratings:

[The Notes to be issued [have been]/[are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

[Moody's Japan K.K. ("Moody's Japan"): [ ]]

[Moody's Investors Service, Inc. ("Moody's"): [ ]]

[Standard & Poor's Ratings Japan K.K. ("Standard & Poor's Japan"): [ ]]

*(Need to include an explanation of the meaning of the ratings if this has previously been published by the rating provider.)*

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

Moody's Japan, Moody's and Standard & Poor's Japan are not established in the European Union and have not applied for registration under Regulation (EC) No. 1060/2009 (the "CRA Regulation"). However, Moody's Investors Service Ltd. has endorsed the ratings of Moody's Japan and Moody's, and Standard & Poor's Credit Market Services Europe Limited has endorsed the ratings of Standard & Poor's Japan, in accordance with the CRA Regulation. Each of Moody's Investors Service Ltd. and Standard & Poor's Credit Market Services Europe Limited is established in the European Union and is registered under the CRA Regulation.

[The Issuer has not applied to Moody's [Japan] or Standard & Poor's Japan for ratings to be assigned to the Notes.]

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 of Australia ("Australian Corporations Act") and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located.

**3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save [as discussed in “*Subscription and Sale*” in the Prospectus] / [for any fees payable to the [Purchasers/Dealers/Managers]], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. [The [Purchasers/Dealers/Managers] and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform the services for, the Issuer and its affiliates in the ordinary course of business.] *(Amend as appropriate if there are any 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 supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

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

[ (i) Reasons for the offer: [ ]  
*(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: [ ]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds are 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))*

**5. Fixed Rate Notes only – YIELD**

Indication of yield: [ ]  
Calculated as *[include specific details of method of calculation in summary form]* on the Issue Date.  
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.

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

[Details of historic [LIBOR/EURIBOR/CAD-BA-CDOR] rates can be obtained from [Reuters]]

**7. OPERATIONAL INFORMATION**

- (i) ISIN: [ ]
- (ii) Common Code: [ ]
- (iii) Any clearing system(s) other than Euroclear Bank SA/NV 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): [ ]

- (vi) Deemed delivery of clearing system notices for the purposes of Condition 16 (*Notices*): Any notice delivered to Noteholders through the clearing systems will be deemed to have been given [on the third day after the day]/[on the day] on which it was given to [Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*][CDS Clearing and Depository Services Inc.].
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes]/[No]/[Not Applicable]  
[Note that the designation “yes” means that the Notes are intended upon issue to be deposited with Euroclear Bank SA/NV or Clearstream Banking, *société anonyme* (the “*ICSDs*”) as common safekeeper [, and registered in the name of a nominee of one of the *ICSDs* acting as common safekeeper,] *[include this text for registered Notes]* 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 as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.] / [Note that the designation “no” means that should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting such criteria, the Notes may then be deposited with Euroclear Bank SA/NV or Clearstream Banking, *société anonyme* (the “*ICSDs*”) as common safekeeper [, and registered in the name of a nominee of one of the *ICSDs* acting as common safekeeper,] *[include this text for registered Notes]* 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 at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria.] (*Include this text if “yes” or “no” is selected in which case bearer Notes must be issued in NGN form and registered Notes must be held under the NSS.*)

## 8. DISTRIBUTION

- (i) Method of distribution: [Syndicated]/[Non-syndicated]
- (ii) If syndicated:
- (A) Names and addresses of Managers and underwriting commitments: [Not Applicable/give names 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.*)
- (B) Date of Syndicate Purchase Agreement: [     ]
- (C) Stabilising Manager(s) (if any): [     ]
- (iii) If non-syndicated, name and address of Dealer/Purchaser: [Not Applicable/give name and address]
- (iv) Indication of the overall amount of the underwriting commission and of the placing commission: [     ] per cent. of the Aggregate Nominal Amount

- (v) U.S. Selling Restrictions: [Reg. S Category 2; TEFRA C/TEFRA D/TEFRA Not Applicable]  
*(TEFRA D, except for certification of non-U.S. beneficial ownership, will apply to all Notes issued by TMCC that have an initial maturity of 183 days or less (taking into consideration unilateral rights to roll or extend))*  
*(For Notes issued by TMF, TCCI and TFA, specify if Notes have been issued in reliance on either TEFRA C or TEFRA D)*
- (vi) Non-exempt Offer: [Not Applicable]/[Applicable – see paragraph 9 below.]

## 9. TERMS AND CONDITIONS OF THE PUBLIC OFFER

The Central Bank of Ireland has provided the competent authorities in each of [Austria, Belgium, Germany, Italy, Luxembourg, the Netherlands, Spain and the United Kingdom *[delete irrelevant ones/specify others]*] (together with Ireland, the “Public Offer Jurisdictions”) with a certificate of approval attesting that the Prospectus dated 11 September 2015 has been drawn up in accordance with the provisions of the Prospectus Directive and Commission Regulation (EC) No. 809/2004. Copies of these Final Terms will be provided to the competent authorities in the Public Offer Jurisdictions.

[The Issuer has agreed to allow the use of these Final Terms and the Prospectus by each of the Managers [and *[specify, if applicable, names of other financial intermediaries making non-exempt offers]*] and any [other] placers authorised directly or indirectly by [the Issuer or] any of the Managers (on behalf of the Issuer) involved in the offer which acknowledges on its website (i) that it has been duly appointed as a financial intermediary to offer the Notes during the Offer Period, (ii) that it is relying on the Issuer’s Base Prospectus and these Final Terms for such Non-exempt Offer with the consent of the Issuer and (iii) the conditions attached to that consent (the “Placers”) in connection with possible offers of the Notes to the public, other than pursuant to Article 3(2) of the Prospectus Directive, in the Public Offer Jurisdictions during the Offer Period (as defined below).

Investors (as defined on page 5 of the Prospectus) intending to acquire or acquiring the Notes from any Authorised Offeror (as defined on page 5 of the Prospectus) should make appropriate enquiries as to whether that Authorised Offeror is acting in association with the Issuer. Whether or not the Authorised 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. 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 Authorised Offeror in accordance with the arrangements in place between any such Manager, Placer or other Authorised 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 purchasing Notes from a Manager will be notified by that Manager that by accepting such Notes such Placer undertakes that for the purpose of offer(s) of the Notes (i) for the duration of the Offer Period, such Placer will publish on its website (a) that it has been duly appointed as a financial intermediary to offer the Notes during the Offer Period, (b) it is relying on the Prospectus for such offer(s) with the consent of the Issuer and (c) the conditions attached to that consent and (ii) 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 these 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, and following, publication of these Final Terms being [ ] to [ ].
- (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]/[give details]

- |        |  |  |
|--------|--|--|
| (vi)   | Details of the minimum and/or maximum amount of application:   | [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 and delivering the Notes:   | [The Notes will be purchased by the Managers from the Issuer 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 in and date on which results of the offer are to be made public:  | [Not Applicable]/[give details]  |
| (ix)   | Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: | [Not Applicable]/[give details]  |
| (x)    | Whether tranche(s) have been reserved for certain countries:   | [Not Applicable]/[give details]  |
| (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 subscriber or purchaser:  | [Not Applicable]/[give details]  |
| (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]/[specify]   |

*[Summary of the Notes to be inserted if applicable]*

## 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 will be endorsed upon, or attached to, each temporary global Note, permanent global Note, global registered Note and definitive Note.*

*Notes issued by Toyota Motor Finance (Netherlands) B.V. and Toyota Finance Australia Limited shall be issued in bearer form only. Notes issued by Toyota Credit Canada Inc. and Toyota Motor Credit Corporation may be issued in bearer form or registered form, as indicated in the applicable Final Terms, provided that Notes issued by Toyota Motor Credit Corporation having a maturity of more than 183 days (taking into consideration unilateral rights to roll or extend) shall be issued in registered form only.*

*In the case of the Notes issued by Toyota Credit Canada Inc., 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 11 September 2015 (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, acting through its London branch, 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 (“Registered Notes”) issued by Toyota Credit Canada Inc. are also issued subject to, and with the benefit of, an amended and restated note agency agreement dated 11 September 2015 (the “TCCI Note Agency Agreement”) and made between Toyota Credit Canada Inc. as Issuer, Royal Bank of Canada as registrar and transfer agent (the “TCCI Registrar”, which expression shall include any successor registrar) and Royal Bank of Canada, London Branch as transfer agent and paying agent (the “TCCI Transfer Agent”, which expression shall include any additional or successor transfer agent or paying agent appointed for Registered Notes issued by Toyota Credit Canada Inc.). Registered Notes issued by Toyota Motor Credit Corporation are also issued subject to, and with the benefit of, an amended and restated note agency agreement dated 11 September 2015 (the “TMCC Note Agency Agreement”) and made between Toyota Motor Credit Corporation as Issuer, The Bank of New York Mellon (Luxembourg) S.A. as registrar and transfer agent (the “TMCC Registrar”, which expression shall include any successor registrar) and The Bank of New York Mellon, acting through its London branch, as transfer agent and paying agent (the “TMCC Transfer Agent”, which expression shall include any additional or successor transfer agent or paying agent appointed for Registered Notes issued by Toyota Motor Credit Corporation).

References in these Terms and Conditions to the “Issuer” shall be references to the party specified in the applicable Final Terms (as defined below). References herein to the “Notes” shall be references to the Notes of this Series (as defined below) and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination (as defined below) in the Specified Currency (as defined below) of the relevant Notes, (ii) definitive Notes issued in exchange (or part exchange) for a temporary global Note, a permanent global Note or a 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. Global Notes do not have Coupons or Talons attached on issue.



The Notes 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 “*TMC Credit Support 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 TMC Credit Support Agreement, the “*Credit Support Agreements*”). The Credit Support Agreements do not constitute a direct or indirect guarantee by the Parent or TFS of the Notes. The Parent’s obligations under its Credit Support Agreement and the obligations of TFS under its Credit Support Agreements, rank *pari passu* with its direct, unconditional, unsubordinated and unsecured debt obligations.

The Final Terms applicable to the Notes are attached to or endorsed on the Notes and supplement these Terms and Conditions. References herein to the “*applicable Final Terms*” shall mean the Final Terms attached to or endorsed on the Notes.

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 Credit Support Agreements and (if the Notes are offered to the public in a Member State of the European Economic Area or admitted to trading on a regulated market within the meaning of the Prospectus Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, and includes any relevant implementing measure (for the purpose of these Terms and Conditions and the applicable Final Terms) in the relevant Member State) the “*Prospectus Directive*”) the Final Terms applicable to the Notes are available free of charge and available for inspection at the specified offices of the Agent. If the Notes are to be admitted to trading on the regulated market of the London Stock Exchange or offered to the public in a Member State of the European Economic Area in circumstances not within an exemption from the requirement to publish a prospectus under the Prospectus Directive, the applicable Final Terms will be published on the website of the London Stock Exchange through a regulatory news service. Copies of the TCCI Note Agency Agreement (if the Notes are Registered Notes issued by Toyota Credit Canada Inc.) are available free of charge and available for inspection by the holders of Registered Notes issued by Toyota Credit Canada Inc. at the specified offices of the TCCI Registrar and the TCCI Transfer Agent. Copies of the TMCC Note Agency Agreement (if the Notes are Registered Notes issued by Toyota Motor Credit Corporation) are available free of charge and available for inspection by the holders of Registered Notes issued by Toyota Motor Credit Corporation at the specified offices of the TMCC Registrar and the TMCC Transfer 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, and the holders of the Coupons (the “*Couponholders*”) are deemed to have notice of the Agency Agreement and the applicable Final Terms, which are binding on them. The holders of Registered Notes issued by Toyota Credit Canada Inc. are deemed to have notice of the TCCI Note Agency Agreement, which is binding on them and the holders of Registered Notes issued by Toyota Motor Credit Corporation are deemed to have notice of the TMCC Note Agency Agreement, which is binding on them.

Words and expressions defined in the Agency Agreement or (if the Note is a Registered Note issued by Toyota Credit Canada Inc.) in the TCCI Note Agency Agreement or (if the Note is a Registered Note issued by Toyota Motor Credit Corporation) in the TMCC 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 issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement, (if the Note is a Registered Note issued by Toyota Motor Credit Corporation) the TMCC 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. or Toyota Motor Credit Corporation, 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 currency ("*Specified Currency*") and in the denominations ("*Specified Denomination(s)*"), 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*") or any combination of the foregoing, depending upon the interest basis specified in the applicable Final Terms.

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.

Subject as set out below, title to Bearer Notes and Coupons will pass by delivery. The holder of each Coupon whether or not such Coupon 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 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 SA/NV ("*Euroclear*") or of Clearstream Banking, société anonyme ("*Clearstream, Luxembourg*") or any other agreed clearing system as the holder of a particular nominal amount of such Notes (other than a clearing agency (including Euroclear and Clearstream, Luxembourg) that is itself an account holder of Euroclear or Clearstream, Luxembourg or any other agreed clearing system (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or any other agreed clearing system 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 issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer 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 global Registered 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 ("*TCCI Register*") which Toyota Credit Canada Inc. shall procure to be kept by the TCCI Registrar. Title to Registered Notes issued by Toyota Motor Credit Corporation passes on due endorsement in the relevant register ("*TMCC Register*") which Toyota Motor Credit Corporation shall procure to be kept by the TMCC 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 issued by Toyota Credit Canada Inc. are set out in the relevant Registered Note and the TCCI Note Agency Agreement. Provisions relating to the transfer of Registered Notes issued by Toyota Motor Credit Corporation are set out in the relevant Registered Note and the TMCC Note Agency Agreement.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, except in relation to Bearer Notes in new global note (“NGN”) form or Registered Notes intended to be held in a manner which would allow Eurosystem eligibility (being the new safekeeping structure (“NSS”) and hereinafter referred to as “*held under the NSS*”), be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

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 relative 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 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 Condition 15) 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 (in addition to (i), (ii) and (iii) above) where the Issuer is Toyota Finance Australia Limited, any Security Interest provided for by one of the following transactions if the transaction does not secure payment or performance of an obligation:

- (A) a transfer of an account or chattel paper;
- (B) a commercial consignment; or
- (C) a PPS lease,

where “*account*”, “*chattel paper*”, “*commercial consignment*” and “*PPS lease*” have the same meanings given to them in the Personal Property Securities Act 2009 of Australia; 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***

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, 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
- (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 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. 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:

- (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;
- (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);

- (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;
- (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; and
- (v) if “Actual/Actual Canadian Compound Method” is specified in the applicable Final Terms, whenever it is necessary to compute any amount of accrued interest in respect of the Notes for a period of less than one full year, other than in respect of any Fixed Coupon Amount or Broken Amount, such interest will be calculated on the basis of the actual number of days in the period and a year of 365 days.

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**

**(i) Interest Payment Dates**

Each Floating Rate 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 Additional Business Centre specified in the applicable Final Terms; and
- (2) (i) in relation to any sum payable in a Specified Currency other than euro and Renminbi, 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 (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively), (ii) in relation to any sum payable in euro, a day on which the TARGET2 System is open or (iii) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong. 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 will be determined in the manner specified in the applicable Final Terms.

(iii) *ISDA Determination*

(A) 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 Condition 4(b)(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*”; and
- (9) the relevant Reset Date is the day 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 on the Functioning of the European Union, as amended.

(iv) *Screen Rate Determination*

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 rate or offered quotation (if there is only one rate or offered quotation on the Relevant Screen Page); or
- (y) the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of the rates or 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 (or such replacement page on that service which displays the information) (as specified in the applicable Final Terms) as at the Specified Time (as specified in the applicable Final Terms) 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, in the case of (y) above, five or more of such rates or offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest rate or offered quotation, one only of such rates or offered quotations) and the lowest (or, if there is more than one such lowest rate or offered quotation, one only of such rates or offered 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 rates or offered quotations. In addition:

(A) if, in the case of (x) above, no such rate or offered quotation appears or, in the case of (y) above, fewer than two of such rates or offered quotations 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 bid rates or 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 or as is accepted by all



Reference Banks (as defined below) as at the Specified Time on the Interest Determination Date for a period of the Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time, if applicable, 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) 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 bid rates or 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 or offered quotations of those Reference Banks advising or accepting such bid rates or offered quotations;

(C) 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 or offered quotations, 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 Market Limited or other such service, as specified in the applicable Final Terms;

(E) the Reference Banks will be (a) in the case of Reference Rates other than CAD-BA-CDOR, 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 or (b) where the Reference Rate is CAD-BA-CDOR, the principal Toronto office of four major Canadian chartered banks listed in Schedule I to the Bank Act (Canada). The Issuer shall procure that, so long as any Floating Rate Note to which Condition 4(b)(iv)(A) is applicable remains outstanding, in the case of any bank specified in (a) above 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, Canadian dollars 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 or Canadian dollars the first Banking Day in the principal financial centre of the country of the Specified Currency 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; and

(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.

(v) *Minimum Rate of Interest 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 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 which are represented by a global Note, the aggregate outstanding nominal amount of the Notes represented by such global Note;
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount; or
- (C) in the case of Floating Rate 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 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 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 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) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period or Specified Period in the applicable Final Terms, the Rate of Interest for such Interest Period or Specified Period shall be calculated by the Agent (or if the Agent is not the Calculation Agent, the Calculation Agent specified in the applicable Final Terms) by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity (as defined below) were the period of time for which rates are available next shorter than the length of the relevant Interest Period or Specified Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period or Specified Period, provided however, that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent (or if the Agent is not the Calculation Agent, the Calculation Agent specified in the applicable Final Terms) shall determine such rate at such time and by reference to such sources as it determines appropriate. For the purposes of this Condition 4(b)(vii), the expression “*Designated Maturity*” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

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

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period or Specified Period and the relevant Interest Payment Date to be notified to the Issuer, the TCCI Registrar and the TCCI Transfer Agent (in the case of Registered Notes issued by Toyota Credit Canada Inc.), the TMCC Registrar and the TMCC Transfer Agent (in the case of Registered Notes issued by Toyota Motor Credit Corporation) and any stock exchange or other relevant authority on which the relevant Floating Rate 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 or Specified Period in accordance with the provisions hereof. Any such amendment will promptly be notified to each stock exchange or other relevant authority on which the relevant Floating Rate Notes are for the time being

admitted to trading and listed. For the purposes of this Condition 4(b)(viii), 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.

(ix) *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 Condition 4(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 and Couponholders and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar and TCCI Transfer Agent and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and TMCC Transfer Agent and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders 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.

(c) *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(i)(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.

(d) *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 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 issued by Toyota Credit Canada Inc.) the TCCI Registrar or the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar or the TMCC Transfer 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, U.S. dollars or Renminbi, 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;
- (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;
- (iii) payments in U.S. dollars, except as provided by Condition 5(d), shall be made by credit or transfer to a U.S. dollar account outside the United States specified by the payee; and
- (iv) payments in Renminbi shall be made by credit or transfer to a Renminbi account maintained by or on behalf of the payee with a bank in Hong Kong or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to settlement in Renminbi in

Hong Kong or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms).

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 issued by Toyota Credit Canada Inc.) the TCCI Registrar or TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar or TMCC Transfer 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 and the administrative practices and procedures of fiscal and other authorities in relation to tax, anti-money laundering and other requirements which may apply to payments of amounts due (whether principal, redemption amount, interest or otherwise) in respect of Notes, but (unless otherwise specified in the applicable Final Terms) without prejudice to the provisions of Condition 7. However, if any withholding is required under Sections 1471 through to 1474 of the U.S. Internal Revenue Code of 1986, as amended, any regulations or other guidance promulgated thereunder or any official interpretations thereof (including under an agreement described under Section 1471(b)), or under any intergovernmental agreement implementing an alternative approach thereto or any implementing law in relation thereto the Issuer will not be required to pay any additional amount under Condition 7 on account of such withholding.

**(b) *Presentation of Notes 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 Condition 5(a) 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 Condition 5(a) 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 and its possessions).

Upon the date on which any Fixed Rate Notes in definitive form 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 in definitive form 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 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 but unpaid 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 or otherwise in the manner specified in the relevant global Note, where applicable against presentation or surrender, as the case may be, of such global Note, if the global Note is not issued in NGN form or held under the NSS, at the specified office of any Paying Agent located outside the United States except as provided below. A record of each payment made, distinguishing between any payment of



principal and any payment of interest, will be made on such global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

**(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 global Registered Note or definitive Registered Note and as otherwise set out in these Terms and Conditions. Interest on Registered Notes shall be paid to the person shown on the relevant TCCI Register with respect to Registered Notes issued by TCCI, or the relevant TMCC Register with respect to Registered Notes issued by TMCC, on the Record Date, and “*Record Date*” means, in the case of global Registered Notes, at the close of business on the relevant clearing system business day before the due date for payment thereof, or in the case of Registered Notes in definitive form, at close of business on the fifteenth day before the due date for payment thereof.

**(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 principal and 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 or Coupon is not a Payment Day, 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 (subject to Condition 8) 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 (if presentation is required); and
  - (B) any Additional Financial Centre specified in the applicable Final Terms; and

- (ii) (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, 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 (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively); (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open; or (3) in relation to any sum payable in Renminbi, a day on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

**(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 or Coupon 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 Condition 5(f) 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 Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(i)(iii)); and
- (vi) any premium and any other amounts (other than interest) 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.

**(h) *Payment of U.S. Dollar Equivalent***

Notwithstanding any other provisions in these Terms and Conditions, if by reason of Inconvertibility (as defined below), Non-transferability (as defined below) or Illiquidity (as defined below), the Issuer determines in good faith and in a commercially reasonable manner that it is not able, or it would be impracticable for it, to satisfy payments due under the Notes or Coupons in Renminbi in Hong Kong or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms, the Issuer shall settle any such payment in U.S. dollars on the due date for payment at the U.S. Dollar



Equivalent of any such Renminbi denominated amount and give notice thereof (including details thereof) as soon as practicable to the Noteholders in accordance with Condition 16.

In such event, payments of the U.S. Dollar Equivalent of the relevant amounts due under the Notes or Coupons shall be made in accordance with Condition 5(a).

In this Condition 5(h):

*“Governmental Authority”* means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms;

*“Illiquidity”* means the general Renminbi exchange market in Hong Kong or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to make a payment under the Notes or Coupons;

*“Inconvertibility”* means the occurrence of any event that makes it impossible for the Issuer to convert into Renminbi any amount due in respect of the Notes or Coupons into Renminbi on any payment date in the general Renminbi exchange market in Hong Kong or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

*“Non-transferability”* means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong (or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms) or from an account inside Hong Kong (or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms) to an account outside Hong Kong (or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms) (including where the Renminbi clearing and settlement system for participating banks in Hong Kong (or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms) is disrupted or suspended), other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

*“Rate Determination Business Day”* means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London, New York City or such other financial centre(s) as may be specified in the applicable Final Terms;

*“Rate Determination Date”* means the day which is two Rate Determination Business Days before the due date of the relevant amount under the Notes;

*“Spot Rate”* means, unless specified otherwise in the applicable Final Terms, the spot CNY/U.S.\$ exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong (or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms) for settlement in two Rate Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (local time in Hong Kong or such RMB Settlement Centre(s) as may be specified in the applicable Final Terms) on the Rate Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent shall determine the rate taking into consideration all available information which the Calculation Agent deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Hong Kong or elsewhere and the CNY/U.S.\$ exchange rate in the PRC domestic foreign exchange market; and

*“U.S. Dollar Equivalent”* means the relevant Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Rate Determination Date.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(h), whether by the Agent or other Calculation Agent, shall (in the absence of negligence, wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, Calculation Agent (if applicable), any other Paying Agents and all Noteholders and Couponholders and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer Agent and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to the provisions of this Condition 5(h).

## **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 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 but unpaid 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.

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 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 Condition 6(b) 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 Conditions 6(d), 6(e), 6(f) and/or 6(h) 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 Call Option is specified as being applicable in the applicable Final Terms, the Issuer may, having 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 period as is specified in the applicable Final Terms; and

- (ii) not less than 5 days before the date of the notice referred to in sub-paragraph (i) (or such other notice period as is specified in the applicable Final Terms) is to be given, notice to the Agent or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer 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 the applicable Final Terms together (if appropriate) with interest accrued but unpaid 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.

**(e) *Redemption at the Option of the Issuer (“Issuer Maturity Par Call Option”)***

If the Issuer Maturity Par Call Option is specified as being applicable in the applicable Final Terms, the Issuer may, having 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 period as is specified in the applicable Final Terms; and
- (ii) not less than 5 days before the date of the notice referred to in sub-paragraph (i) (or such other notice period as is specified in the applicable Final Terms) is to be given, notice to the Agent or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer Agent;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem the Notes in whole, but not in part, at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the date fixed for redemption.

**(f) *Redemption at the Option of the Issuer (“Issuer Make-Whole Call Option”)***

If the Issuer Make-Whole Call Option is specified as being applicable in the applicable Final Terms, the Issuer may, having 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 period as is specified in the applicable Final Terms; and
- (ii) not less than 5 days before the date of the notice referred to in sub-paragraph (i) (or such other notice period as is specified in the applicable Final Terms) is to be given, notice to the Agent or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer Agent;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date (that is, if the Issuer Maturity Par Call Option is specified to be applicable in the applicable Final Terms, more than 90 days prior to the Maturity Date) and at the Optional Redemption Amount(s) specified in the applicable Final Terms together (if appropriate) with interest accrued but unpaid to (but excluding) the relevant Optional Redemption Date. 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.

If the Special Redemption Amount is specified in the applicable Final Terms as the Optional Redemption Amount, the Optional Redemption Amount with respect to the Notes shall be equal to the higher of:

- (a) 100 per cent. of the nominal amount of the Notes being redeemed; or
- (b) the price (as reported to the Issuer and the Calculation Agent by the Financial Adviser and expressed as a percentage) that provides for a Gross Redemption Yield on such Notes on the Reference Date equal (after adjusting for any difference in compounding frequency) to the Gross Redemption Yield provided by the Reference Bonds based on the Reference Bond Rate at the Specified Time on the Reference Date plus the Redemption Margin (if any).

Where:

“*Financial Adviser*” means a financial adviser selected by the Calculation Agent after consultation with the Issuer.

“*Gross Redemption Yield*” means a yield expressed as a percentage and calculated by the Financial Adviser in accordance with generally accepted market practice.

“*Redemption Margin*” shall be as set out in the applicable Final Terms.

“*Reference Bonds*” means, as at the Reference Date, the then current on-the-run government securities that would be utilised in pricing new issues of corporate debt securities denominated in the same currency as the Notes, as determined by the Financial Adviser.

“*Reference Bond Rate*” means the actual or, where there is more than one Reference Bond, interpolated rate per annum calculated by the Financial Adviser in accordance with generally accepted market practice by reference to the arithmetic mean of the middle market prices provided by three Reference Dealers for the Reference Bond(s) having an actual or interpolated maturity equal to the remaining term of the Notes (if the Notes were to remain outstanding to the Maturity Date).

“*Reference Date*” means the fifth London Business Day prior to the Optional Redemption Date.

“*Reference Dealer*” means a bank selected by the Issuer or its affiliates in consultation with the Financial Adviser which is (A) a primary government securities dealer, or (B) a market maker in pricing corporate bond issues.

“*Specified Time*” shall be as set out in the applicable Final Terms.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(f), by the Financial Adviser, shall (in the absence of negligence, wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, Calculation Agent (if applicable), any other Paying Agents and all Noteholders and Couponholders and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer Agent and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Financial Adviser in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to the provisions of this Condition 6(f).

**(g) *Partial Redemption***

In the event of redemption of some only of the Notes under Condition 6(d) or Condition 6(f), 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 Condition 6(g) 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. 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.

**(h) *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 Investor Put Option is specified as being applicable in the applicable Final Terms, 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 (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if appropriate, with interest accrued but unpaid to (but excluding) the Optional Redemption 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 TCCI Transfer Agent or the TMCC Transfer Agent), in the case of Bearer Notes, or the TCCI Registrar or the TCCI Transfer Agent, in the case of Registered Notes issued by Toyota Credit Canada Inc., or the TMCC Registrar or the TMCC Transfer Agent, in the case of Registered Notes issued by Toyota Motor Credit Corporation, at any time during normal business hours of such Paying Agent or the TCCI Registrar or TCCI Transfer Agent or the TMCC Registrar or TMCC Transfer 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 TCCI Registrar or the TCCI Transfer Agent, or the TMCC Registrar or the TMCC Transfer 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(h).

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 TCCI Registrar or the TCCI Transfer Agent, in the case of Registered Notes issued by Toyota Credit Canada Inc., or the TMCC Registrar or the TMCC Transfer Agent, in the case of Registered Notes issued by Toyota Motor Credit Corporation, 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 TCCI Registrar or the TCCI Transfer Agent (in the case of Registered Notes issued by Toyota Credit Canada Inc.), or the TMCC Registrar or the TMCC Transfer Agent (in the case of Registered Notes issued by Toyota Motor Credit Corporation) by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

**(i) *Early Redemption Amounts***

For the purpose of Condition 6(b) 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 the applicable Final Terms or, if no such amount 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 Condition 6(b) 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 sub-paragraph (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.

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).

**(j) Purchases**

The Issuer or any of its subsidiaries may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured 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., such Notes shall be surrendered (in the case of Bearer Notes) to any Paying Agent, or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar or TCCI Transfer Agent, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar or TMCC Transfer 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 and Coupons may not be resold or reissued.

**(k) Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with all unmatured 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 Condition 6(j) (together, in the case of definitive Notes, with all unmatured 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 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 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 or Coupon:

- (i) where the Issuer is Toyota Motor Finance (Netherlands) B.V., where the Noteholder or Couponholder of which (a) would be 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 or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note or Coupon; or
- (ii) where the Issuer is Toyota Credit Canada Inc.:
  - (A) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with Canada other than the mere holding of such Note or Coupon or the receipt of principal or interest in respect thereof;
  - (B) the Issuer does not deal at arm’s length (within the meaning of the Income Tax Act (Canada)) with either: (1) the holder of such Note or Coupon, or (2) in the case where a payment is made to a holder of a Coupon, the holder of the related Note (as applicable); or
  - (C) the holder of which is, or does not deal at arm’s length with any person who is, a “*specified shareholder*” of TCCI for the purposes of the thin capitalisation rules in the Income Tax Act (Canada);
- (iii) where the Issuer is Toyota Finance Australia Limited, the holder of which is liable for such taxes or duties in respect of such Note or Coupon:
  - (A) by reason of the holder having some connection with the Commonwealth of Australia other than the mere holding of such Note or Coupon or the receipt of principal or interest in respect thereof; or
  - (B) by reason of the holder being a person who could lawfully avoid (but has not so avoided) such withholding or deduction 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 or Coupon is presented for payment; or
  - (C) by reason of the holder (or a person with an interest in a Note) 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 required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, any regulations or other guidance promulgated thereunder or any official interpretations thereof (including under an agreement described under Section 1471(b)), or pursuant to any intergovernmental agreement implementing an alternative approach thereto or any implementing law in relation thereto; or
- (vii) 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
- (viii) where the holder of which would have been able to avoid such withholding or deduction by presenting the relevant Note 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 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 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 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 or Couponholder or any beneficial owner of a Note or Coupon (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Noteholder, Couponholder or beneficial owner, if such Noteholder, 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, 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 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 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 U.S. 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 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 or Couponholder or of the beneficial owner of such Note 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 including, in the case of Notes with a maturity of more than 183 days (taking into consideration unilateral rights to roll or extend), failure of the Noteholder or Couponholder or of the beneficial owner of such Note or Coupon, to provide such certification of non-U.S. beneficial ownership as may be required from time to time under applicable rules, including, if necessary, a valid U.S. Internal Revenue Service Form W8-BEN or W8-BEN-E;
- (viii) any Tax imposed with respect to a payment on a Note or Coupon to any Noteholder or Couponholder who is a fiduciary or partnership or other than the sole beneficial owner of the Note 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 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 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 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;
- (x) any Tax required to be withheld or deducted pursuant to Sections 1471 through to 1474 of the U.S. Internal Revenue Code of 1986, as amended, any regulations or other guidance promulgated thereunder or any official interpretations thereof (including under an agreement described under Section 1471(b)), or pursuant to any intergovernmental agreement implementing an alternative approach thereto or any implementing law in relation thereto; or
- (xi) any combination of items (i), (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix) and (x) 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.

## **8. Prescription**

Unless provided otherwise in the applicable Final Terms, Notes and Coupons will become void unless claims in respect of principal and/or interest are made 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 issued by Toyota Credit Canada Inc.) the TCCI Registrar or the TCCI Transfer Agent, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar or the TMCC Transfer 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, the TCCI Registrar or the TCCI Transfer Agent, the TMCC Registrar or the TMCC Transfer Agent with respect thereto shall cease when the Notes 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 these Terms and Conditions applicable to 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 issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer Agent, 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 but unpaid thereon to be due and payable immediately by written notice to the Issuer and the Agent, or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer Agent, 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 but unpaid 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 issued by Toyota Credit Canada Inc.) the TCCI Transfer Agent, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Transfer 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, Coupons and Talons**

Should any Note, 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 issued by Toyota Credit Canada Inc.) at the specified offices of the TCCI Registrar or the TCCI Transfer Agent, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) at the specified offices of the TMCC Registrar or the TMCC Transfer Agent (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 TCCI Registrar or TCCI Transfer Agent or the TMCC Registrar or TMCC Transfer Agent, 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 TCCI Registrar or TCCI Transfer Agent or the TMCC Registrar or Transfer Agent, as the case may be, may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

#### **11. Agent and Paying Agents, Registrars and Transfer Agents**

The names of the initial Agent, the initial TCCI Registrar, the initial TCCI Transfer Agent, the initial TMCC Registrar and the initial TMCC Transfer Agent and their initial specified offices are set out below.

In acting under the Agency Agreement or the TCCI Note Agency Agreement or the TMCC Note Agency Agreement, the Agent and any other Paying Agents and (in the case of the TCCI Note Agency Agreement only) the TCCI Registrar and the TCCI Transfer Agent and (in the case of the TMCC Note Agency Agreement only) the TMCC Registrar and the TMCC Transfer Agent act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders, except that (without affecting the obligations of the Issuer to the Noteholders and Couponholders to repay Notes and pay interest thereon) funds received by the Agent, or (in respect of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar or the TCCI Transfer Agent, or (in respect of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar or the TMCC Transfer 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 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 issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in respect of Notes issued by Toyota Motor Credit Corporation) the TMCC 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 issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent, to perform and observe the obligations imposed on them under the TCCI Note Agency Agreement and (in respect of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer Agent, to perform and observe the obligations imposed on them under the TMCC Note Agency Agreement. The Agency Agreement and (in respect of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in respect of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note Agency Agreement, contain provisions for the indemnification of the Agent and any other Paying Agents, the TCCI Registrar and the TCCI Transfer Agent and the TMCC Registrar and the TMCC Transfer 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 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 TCCI Registrar or the TCCI Transfer Agent appointed under the terms of the TCCI Note Agency Agreement, or the TMCC Registrar or the TMCC Transfer

Agent appointed under the terms of the TMCC Note Agency Agreement, and/or appoint additional or other Paying Agents or Transfer Agents and/or approve any change in the specified office through which any Paying Agent, TCCI Registrar, TCCI Transfer Agent, TMCC Registrar or TMCC Transfer 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 issued by Toyota Credit Canada Inc., there will at all times be a TCCI Registrar and in respect of Registered Notes issued by Toyota Motor Credit Corporation, there will at all times be a TMCC Registrar; and
- (iv) there will at all times be a Paying Agent (which includes a TCCI Transfer Agent in respect of Registered Notes issued by Toyota Credit Canada Inc. and a TMCC Transfer Agent in respect of Registered Notes issued by Toyota Motor Credit Corporation) 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. or Toyota Motor Credit Corporation, as the case may be, is entitled to vary or terminate the appointment of any registrar, transfer agent or paying agent and/or appoint additional transfer agents, paying agents and/or approve any change in the specified office through which any such registrar, transfer agent or 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 TCCI Note Agency Agreement or the TMCC Note Agency Agreement contains provisions permitting any entity into which any Paying Agent and (in the case of the TCCI Note Agency Agreement and the TMCC Note Agency Agreement only) any registrar, paying agent or 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 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 TCCI Note Agency Agreement or the TMCC Note Agency Agreement, executed by such successor corporation, the Issuer and the Agent or the TCCI Registrar and the TCCI Transfer Agent or the TMCC Registrar and the TMCC Transfer 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 TCCI Note Agency Agreement or the TMCC 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 Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note 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 TMC Credit Support Agreement applying, *mutatis mutandis* on the terms of the relevant Credit Support Agreement and the TMC Credit Support 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 TMC Credit Support 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 and Coupons, the provisions of the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the provisions of the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the provisions of the TMCC Note Agency Agreement, as fully as if the Substitute Issuer had been named in the relevant Notes and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note Agency Agreement, as the principal debtor in respect of the relevant Notes and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note 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 and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note 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 and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note 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 and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note Agency Agreement;

(h) in the case of substitution of TCCI or a Canadian subsidiary of the Parent (“*Canadian Replacement Subsidiary*”) in place of the Retiring Issuer, no withholding or other taxes will be payable or required to be withheld by any such Substitute Issuer other than in respect of a holder of the relevant Notes or Coupons that: (i) does not deal at arm’s length (within the meaning of the Income Tax Act (Canada)) with TCCI or the Canadian Replacement Subsidiary (as applicable) or (ii) is, or does not deal at arm’s length with any person who is, a “*specified shareholder*” of TCCI or the Canadian Replacement Subsidiary (as applicable) for the purposes of the thin capitalisation rules in the Income Tax Act (Canada);

(i) legal opinions shall have been delivered to the Agent or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar (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 and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note 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, (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar and the TCCI Transfer Agent, (in the case of Registered Notes

issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer 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 and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note Agency Agreement) as principal debtor in place of the Retiring Issuer and the relevant Notes and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note 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 and Coupons, the Agency Agreement and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note 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 and Coupons;
- (B) the Substitute Issuer has rights which the Retiring Issuer had in respect of the relevant Notes 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 and Coupons.

The Substitution Documents shall be deposited with and held by the Agent and (in the case of Registered Notes issued by Toyota Credit Canada Inc.) copied to the TCCI Registrar and (in the case of Registered Notes issued by Toyota Motor Credit Corporation) copied to the TMCC 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, Coupons, the Agency Agreement, or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC 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, Coupons, the Agency Agreement, or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement, or in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC 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, the TCCI Note Agency Agreement and the TMCC Note Agency Agreement contain provisions which, unless otherwise provided in the Final Terms, are binding on the Issuer, the Noteholders and the Couponholders, for convening meetings of holders of Notes 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 issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement, (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note Agency Agreement, the Notes and any 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 TCCI Note Agency Agreement) the TCCI Registrar and the TCCI Transfer Agent, and (in the case of the TMCC Note Agency Agreement) the TMCC Registrar and the TMCC Transfer Agent, without the consent of the holder of any Note 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 issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC 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 TCCI Note Agency Agreement) the TCCI Registrar and the TCCI Transfer Agent and (in the case of the TMCC Note Agency Agreement) the TMCC Registrar and the TMCC Transfer Agent may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Notes 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 TCCI Note Agency Agreement) the TCCI Registrar and the TCCI Transfer Agent and (in the case of the TMCC Note Agency Agreement) the TMCC Registrar and the TMCC Transfer 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 issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Note Agency Agreement, or the terms and conditions of the Notes 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 issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation), the TMCC Note Agency Agreement, or of modifying in any manner the rights of the holders of Notes 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 issued by Toyota Credit Canada Inc.) the TCCI Note Agency Agreement, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC 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 issued by Toyota Credit Canada Inc.) to the TCCI Note Agency Agreement, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) to the TMCC Note Agency Agreement, or to the terms and conditions of the Notes and Coupons will be conclusive and binding on all holders of Notes 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 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 issued by Toyota Credit Canada Inc.) to the TCCI Note Agency Agreement, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) to the TMCC Note Agency Agreement, the Notes or Coupons may bear a notation in form approved by the Agent, or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar

and the TCCI Transfer Agent, or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar and the TMCC Transfer Agent, as to any matter provided for in such amendment to the Agency Agreement or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) to the TCCI Note Agency Agreement or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) to the TMCC Note Agency Agreement.

New Notes so modified as to conform, in the opinion of the Agent or (in the case of Registered Notes issued by Toyota Credit Canada Inc.) the TCCI Registrar or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC 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 issued by Toyota Credit Canada Inc.) the TCCI Registrar or the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) the TMCC Registrar or the TMCC Transfer Agent 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 TCCI Note Agency Agreement or the TMCC Note Agency Agreement other than (i) those which have been redeemed in full in accordance with the Agency Agreement or the TCCI Note Agency Agreement or the TMCC Note Agency Agreement or these Terms and Conditions, (ii) those in respect of which the date for redemption in accordance with these Terms and Conditions has occurred and the redemption moneys therefor (including all interest (if any) accrued but unpaid 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 issued by Toyota Credit Canada Inc.) to the TCCI Registrar or the TCCI Transfer Agent or (in the case of Registered Notes issued by Toyota Motor Credit Corporation) to the TMCC Registrar or the TMCC Transfer 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 global Registered 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. 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 issued by Toyota Credit Canada Inc., to the first-named in the TCCI Register or, in the case of joint holders of Registered Notes issued by Toyota Motor Credit Corporation, to the first-named in the TMCC Register) 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 issued by Toyota Credit Canada Inc., with the TCCI Registrar or, in the case of Registered Notes issued by Toyota Motor Credit Corporation, with the TMCC 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 issued by Toyota Credit Canada Inc., the TCCI Registrar or, in the case of Registered Notes issued by Toyota Motor Credit Corporation, the TMCC Registrar, via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent or TCCI Registrar or TMCC 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 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. Redenomination and Exchange**

The Issuer may (if so specified in the applicable Final Terms) without the consent of the holder of any Note, 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. The Issuer may (if so specified in the applicable Final Terms) without the consent of the holder of any Note, 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 TCCI Note Agency Agreement, the TMCC Note Agency Agreement, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the TCCI Note Agency Agreement, the TMCC Note Agency Agreement, the Notes 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 and the Couponholders, to the jurisdiction of the English courts for all purposes in connection with the Agency Agreement, the TCCI Note Agency Agreement, the TMCC Note Agency Agreement, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the TCCI Note Agency Agreement, the TMCC Note Agency Agreement, the Notes 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, to the extent allowed by law, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the TCCI Note Agency Agreement, the TMCC Note Agency Agreement

the Notes 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 TCCI Note Agency Agreement, the TMCC Note Agency Agreement, the Notes and the Coupons) may be brought in any other court of competent jurisdiction.

## PRC CURRENCY CONTROLS

*The following is a general description of certain currency controls in the PRC and is based on the law and relevant interpretations thereof in effect as at the date of this Prospectus, all of which are subject to change, and does not constitute legal advice. It does not purport to be a complete analysis of all applicable currency controls in the PRC relating to the Notes. Prospective holders of Notes who are in any doubt as to PRC currency controls are advised to consult their own professional advisers.*

### Remittance of Renminbi into and outside the PRC

Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

### Current Account Items

Under PRC foreign exchange control regulations, current account item payments include payments for imports and exports of goods and services, payments of income and current transfers into and outside the PRC.

Prior to July 2009, all current account items were required to be settled in foreign currencies. Since July 2009, the PRC has commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated cities in the PRC being Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. In June 2010 and August 2011, respectively, the PRC Government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-Border Trades and the Circular on Expanding the Regions of Cross-border Trade Renminbi Settlement (the “Circulars”) with regard to the expansion of designated cities and offshore jurisdictions implementing the pilot Renminbi settlement scheme for cross-border trades. Pursuant to the Circulars (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts was expanded to cover all provinces and cities in the PRC; and (iii) the restriction on designated offshore districts has been lifted. Accordingly, PRC enterprises and offshore enterprises are entitled to use Renminbi to settle imports of goods and services and other current account items between them; Renminbi remittance for exports of goods from the PRC may only be effected by approved pilot enterprises in designated pilot districts in the PRC.

On 3 February 2012, PBoC and five other PRC Authorities (the “Six Authorities”) jointly issued the Notice on Matters Relevant to the Administration of Enterprises Engaged in Renminbi Settlement of Export Trade in Goods (the “2012 Circular”). Under the 2012 Circular, any enterprise qualified for the export and import business is permitted to use Renminbi as settlement currency for exports, provided that the relevant provincial government has submitted to the Six Authorities a list of key enterprises subject to supervision and the Six Authorities have verified and signed off on such list. On 12 June 2012, the PBoC issued a notice stating that the Six Authorities had jointly verified and announced a list of 9,502 exporting enterprises subject to supervision and as a result any enterprise qualified for the export and import business is permitted to use Renminbi as settlement currency for exports.

On 5 July 2013, the PBoC promulgated the Circular on Simplifying the Procedures for Cross-Border Renminbi Transactions and Improving Related Policies (the “2013 PBoC Notice”) with the intent to improve the efficiency of cross border Renminbi settlement and facilitate the use of Renminbi for the settlement of cross border transactions under current accounts or capital accounts. In particular, the 2013 PBoC Notice simplifies the procedures for cross border Renminbi trade settlement under current account items. For example, PRC banks, based on due diligence review to know their clients (i.e., PRC enterprises), may conduct settlement for such PRC enterprises upon the PRC enterprises presenting the payment instruction, with certain exceptions. PRC banks may also allow PRC enterprises to receive payments under current account items prior to the relevant PRC bank’s verification of underlying transactions (noting that verification of underlying transactions is usually a precondition for cross border remittance).

On 1 November 2014, the PBoC promulgated the Notice on Matters concerning Centralized Cross-Border RMB Fund Operation conducted by Multinational Enterprise Groups, which provides that qualified multinational enterprise groups (“MEGs”) may carry out cross-border Renminbi fund centralised operations via a group member incorporated in the PRC, which operations include (i) two-

way Renminbi cash-pooling arrangement and (ii) centralised receipt and payment of cross-border Renminbi under the current account. A qualified MEG shall have an aggregate revenue generated by domestic participating group members of no less than RMB 5 billion, and an aggregate revenue generated by foreign participating group members of no less than RMB 1 million. The group parent company of a qualified MEG may be incorporated in or outside of the PRC.

As new regulations, the above circulars and notice will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the use of Renminbi for payment of transactions categorised as current account items, then such settlement will need to be made subject to the specific requirements or restrictions set out in such rules. Local authorities may adopt different practices in applying these circulars and impose conditions for the settlement of current account items.

### **Capital Account Items**

Under the applicable PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments have been generally subject to the approval of the relevant PRC authorities. However, as set out below, it has been announced that as from 1 June 2015, the capital account regulation in relation to direct investment has been delegated by the governmental authority (i.e. the local branches of the SAFE) to designated foreign exchange banks.

Prior to October 2011, settlements for capital account items were generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) were required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or relevant PRC parties were also generally required to make capital item payments including proceeds from liquidation, transfer of shares, reduction of capital, interest and principal repayment to foreign investors in a foreign currency. The relevant PRC authorities may, however, have granted approvals for a foreign entity to make a capital contribution or a shareholder's loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. The foreign invested enterprise may, however, have been required to complete a registration and verification process with the relevant PRC authorities before such Renminbi remittances.

On 13 October 2011, the PBoC issued the Administrative Measures on RMB Settlement of Foreign Direct Investment ("*PBoC RMB FDI Measures*") which set out operating procedures for PRC banks to handle Renminbi settlement relating to Renminbi foreign direct investment ("*RMB FDI*") and borrowing by foreign invested enterprises of offshore Renminbi loans. Prior to the PBoC RMB FDI Measures, cross-border Renminbi settlement for RMB FDI has required approvals on a case-by-case basis from the PBoC. The new rules replace the PBoC approval requirement with less onerous post-event registration and filing requirements. The PBoC RMB FDI Measures provide that, among others, foreign invested enterprises are required to conduct registrations with the local branch of PBoC within ten working days after obtaining business licenses for the purpose of Renminbi settlement; a foreign investor is allowed to open a Renminbi expense account to reimburse some expenses before the establishment of a foreign invested enterprise and the balance in such an account can be transferred to the Renminbi capital account of such foreign invested enterprise when it is established, commercial banks can remit a foreign investor's Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries out of the PRC after reviewing certain requisite documents; if a foreign investor intends to use its Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries to reinvest onshore or increase the registered capital of the PRC subsidiaries, the foreign investor may open a Renminbi reinvestment account to receive such Renminbi proceeds; and the PRC parties selling a stake in domestic enterprises to foreign investors can open Renminbi accounts and receive the purchase price in Renminbi paid by foreign investors by submitting certain documents as required by the guidelines of PBoC to the commercial banks. The PBoC RMB FDI Measures also state that the foreign debt quota of a foreign invested enterprise applies to both its Renminbi debt and foreign currency debt owed to its offshore shareholders, offshore affiliates and offshore financial institutions, and a foreign invested enterprise may open a Renminbi account to receive its Renminbi proceeds borrowed offshore by submitting the Renminbi loan contract and the letter of payment order to the

commercial bank and make repayments of principal and interest on such debt in Renminbi by submitting certain documents as required by the guidelines of the PBoC to the commercial bank.

On 14 June 2012, the PBoC further promulgated the Notice on Clarifying the Detailed Operating Rules for RMB Settlement of Foreign Direct Investment (“*PBoC RMB FDI Notice*”) to provide more detailed rules relating to cross-border Renminbi direct investments and settlement. This PBoC RMB FDI Notice details the rules for opening and operating the relevant accounts and reiterates the restrictions upon the use of the funds within different Renminbi accounts.

On 5 July 2013, the PBoC promulgated the 2013 PBoC Notice (together with the PBoC RMB FDI Measures and the PBoC RMB FDI Notice, the “*PBoC Rules*”) which, among other things, provide more flexibility for funds transfers between the Renminbi accounts held by offshore participating banks at PRC onshore banks and offshore clearing banks respectively.

On 3 December 2013, MOFCOM promulgated the Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment (the “*MOFCOM Circular*”), which became effective on 1 January 2014, to further facilitate FDI by simplifying and streamlining the applicable regulatory framework. Pursuant to the MOFCOM Circular, written approval from the appropriate office of MOFCOM and/or its local counterparts is required for each FDI, specifying “Renminbi Foreign Direct Investment” and the amount of capital contribution. Unlike the previous MOFCOM regulations on FDI, the MOFCOM Circular has also removed the approval requirement for foreign investors who intend to change the currency of their existing capital contribution from a foreign currency to Renminbi. Consistent with the previous MOFCOM regulations on FDI, the MOFCOM Circular still expressly prohibits the FDI Renminbi funds from being used for any investment in securities and financial derivatives (except for investment in PRC listed companies by strategic investors) or for entrusted loans in the PRC.

On 13 February 2015, the SAFE promulgated the 2015 SAFE Notice, which became effective on 1 June 2015. Under the 2015 SAFE Notice, the SAFE delegates the authority for approval/registration of foreign currency (including cross-border Renminbi) related matters for direct investment (internal and external) to designated foreign exchange banks.

On 30 March 2015, SAFE promulgated the Circular on Reforming Foreign Exchange Capital Settlement for Foreign Invested Enterprises (the “*SAFE Circular*”, together with the 2015 SAFE Notice, the “*SAFE Rules*”), which became effective on and from 1 June 2015. The SAFE Circular allows foreign-invested enterprises to settle 100 per cent. (tentative) of the foreign currency capital (that has been processed through SAFE’s equity interest confirmation proceedings for capital contribution in cash or registered by a bank on SAFE’s system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs, though SAFE reserves its authority to reduce the proportion of foreign currency capital that is allowed to be settled in such manner in the future. On the other hand, it is notable that the SAFE Circular continues to require that capital contributions should be applied within the business scope of the company for true and the company’s own operational purposes; with respect to the Renminbi proceeds obtained through the aforementioned settlement, the SAFE Circular prohibits such proceeds from being applied outside the business scope of the company or for any prohibitive purposes in law, or applied directly or indirectly to securities investments (unless otherwise permitted in law), to granting entrusted loans or repaying of inter-company lending (including advance payment made by third parties) or bank loans that have been lent to third parties, or to purchasing non-self-use real estates (unless it is a real estate company). In addition, the SAFE Circular allows foreign-invested investment companies, foreign-invested venture capital firms and foreign-invested equity investment companies to make equity investment through Renminbi funds to be settled, or those already settled, from their foreign currency capital by transferring such settled Renminbi funds into accounts of invested enterprises, according to the actual investment scale of the proposed equity investment projects.

On 5 June 2015, PBoC promulgated an order to revise certain existing PBoC regulations, which is to reflect the reform to a new registered capital system of PRC-incorporated companies under the PRC Company Law effective as of 1 March 2014 (the “*PBoC Order*”). Among other things, PBoC confirmed in the PBoC Order that capital verification of a foreign-invested enterprise under article 10 of the PBoC RMB FDI Measures is no longer a mandatory procedure before the establishment, and the requirement under the PBoC RMB FDI Notice that a foreign-invested enterprise is not allowed to borrow offshore RMB funds until its registered capital is paid up in full and as scheduled is also abolished.

As the MOFCOM Circular, the PBoC Rules, the SAFE Rules and the PBoC Order are relatively new regulations, they will be subject to interpretation and application by the relevant PRC authorities. There is no assurance that approval of such remittances, borrowing or provision of external guarantee in Renminbi will continue to be granted or will not be revoked in the future. Further, since the remittance of Renminbi by way of investment or loans are now categorised as capital account items, such remittances will need to be made subject to the specific requirements or restrictions set out in the relevant SAFE rules.

If any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.



### **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 the relevant Issuer is TMF, it may also use part of the proceeds from an issue of Notes for the purpose of posting collateral with third party hedge providers rather than for the purpose of on-lending to other Toyota companies.

## 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 Dutch 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 World Trade Center Amsterdam, Tower H, Level 10, Zuidplein 90, 1077 XV Amsterdam, the Netherlands with telephone number + 31 20 502 5310.

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 each 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 from other sources 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 investments and deposits 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 complies with Section 3:2 of the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*, “NLFMSA”) and is therefore not required to obtain a banking license pursuant to the NLFMSA.

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

#### 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. Yoriyuki Hirayama of World Trade Center Amsterdam, Tower H, Level 10, Zuidplein 90, 1077 XV Amsterdam, the Netherlands, Katsunobu Katayama of Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan and William Gordon Kilpatrick of World Trade Center Amsterdam, Tower H, Level 10, Zuidplein 90, 1077 XV Amsterdam, the Netherlands (all of whom are engaged in the business of TMF and/or the Parent). The Managing Directors have no other business activities outside of the Toyota group.

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

The Netherlands has no specific corporate governance regime in respect of Dutch issuing vehicles, such as TMF, where shares in the capital of such Dutch issuing vehicles are not listed on an EEA regulated market and which only issue listed and unlisted debt securities.

TMF is not required to have an audit committee under the laws of the Netherlands due to an exemption under Article 3 of the Decree implementing Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts (*Besluit uitvoering EG Richtlijn wettelijke controles jaarrekeningen en geconsolideerde jaarrekeningen*).

#### 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 administering other companies, associations and enterprises of whatever nature; acquiring, retaining, disposing of or in any way administering any type of participation or interest in other companies, associations and enterprises of whatever nature; and acting as a holding company; and (c) acquiring, administering, 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 in the Annual Financial Report of TMF for the year ended 31 March 2015, which are prepared in accordance with IFRS as adopted by the EU. This information should be read in conjunction with, and is qualified by reference to, the audited annual financial statements of TMF and notes thereof for the years ended 31 March 2015 and 31 March 2014.

### Statements of Financial Position as at 31 March

	2015	2014
	€'000	€'000
<b>Assets</b>		
<b>Current assets</b>		
Loans to related companies.....	3,881,905	2,205,679
Other receivables.....	86,715	223,581
Current tax assets.....	-	166
Derivative financial instruments.....	632,210	189,804
Cash and cash equivalents.....	80,625	1,390
Total current assets.....	<u>4,681,455</u>	<u>2,620,620</u>
<b>Non-current assets</b>		
Loans to related companies.....	3,151,639	3,649,478
Available-for-sale investment – related company .....	1,033	778
Property, plant and equipment .....	21	37
Intangible assets .....	1	2
Total non-current assets.....	<u>3,152,694</u>	<u>3,650,295</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Borrowings.....	2,996,121	3,251,368
Derivative financial instruments.....	277,425	335,414
Financial guarantee liability.....	4,860	3,193
Current tax liability .....	1,722	-
Other liabilities and accrued expenses .....	465,152	39,348
Bank overdraft.....	2,536	1
Total current liabilities.....	<u>3,747,816</u>	<u>3,629,324</u>
Net current assets / (liabilities).....	933,639	(1,008,704)
<b>Non-current liabilities</b>		
Borrowings.....	3,902,185	2,507,820
Deferred tax liabilities .....	14,431	4,845
Total non-current liabilities.....	<u>3,916,616</u>	<u>2,512,665</u>
Net assets .....	<u><b>169,717</b></u>	<u><b>128,926</b></u>
<b>Shareholder's equity</b>		
Equity attributable to owners of the parent		
Share capital .....	908	908
Retained earnings .....	168,531	127,995
Fair value reserve .....	278	23
Total shareholder's equity.....	<u><b>169,717</b></u>	<u><b>128,926</b></u>

### Statements of Comprehensive Income for the years ended 31 March

	2015	2014
	€'000	€'000
Interest income .....	99,040	97,281
Guarantee fee income .....	4,103	3,236
Revenue .....	103,143	100,517
Interest expense .....	(79,612)	(81,423)
Fee expenses .....	(7,992)	(6,176)
Cost of funding .....	(87,604)	(87,599)
Gross profit .....	15,539	12,918
Administration expenses .....	(3,962)	(3,852)
Net gains on financial instruments .....	42,397	8,595
Dividend income .....	118	89
Profit before tax .....	54,092	17,750
Taxation .....	(13,556)	(4,643)
Profit for the year .....	40,536	13,107
Other comprehensive income, net of tax:		
Fair value gains / (losses) on available for sale investments .....	255	(34)
Total comprehensive income for the year .....	40,791	13,073
<b>Attributable to:</b>		
<b>Owners of the parent .....</b>	<b>40,791</b>	<b>13,073</b>

### Statements of Cash Flows for the years ended 31 March

	2015	2014
	€'000	€'000
<b>Cash flow from operating activities</b>		
Cash used in operations .....	(380,622)	(1,152,008)
Interest received .....	99,400	97,870
Interest paid .....	(59,624)	(73,296)
Tax paid .....	(2,082)	(1,544)
Net cash used in operating activities .....	(342,928)	(1,128,978)
<b>Cash flow from investing activities</b>		
Purchase of equipment and software .....	-	(3)
Dividend income .....	118	89
Net cash generated from investing activities .....	118	86
<b>Cash flow from financing activities</b>		
Proceeds from borrowings .....	12,124,290	15,388,071
Repayment of borrowings .....	(11,705,661)	(14,257,441)
Net cash generated from financing activities .....	418,629	1,130,630
Net (decrease) / increase in cash and cash equivalents .....	75,819	1,738
Cash and cash equivalents at the beginning of year .....	1,389	313
Exchange gains / (losses) on cash and cash equivalents .....	881	(662)
Cash and cash equivalents at the end of the year .....	<b>78,089</b>	<b>1,389</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, is a corporation incorporated 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 without par value, of which 6,000 shares with a par value of C\$10,000 each, 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, Lexus and/or Scion 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 construction, 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*”).

**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. Michael Groff of 19001 South Western Avenue, EF-10, Torrance, California, 90501, USA  
Mr. Seiji Ichii of 1 Toyota Place, Scarborough, Ontario, M1H 1H9, Canada  
Mr. Koji Okuda 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. Larry Hutchinson of 1 Toyota Place, Scarborough, Ontario, M1H 1H9, 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 below has been extracted without material adjustment from the audited financial statements in the Annual Financial Report of TCCI for the year ended 31 March 2015, which are prepared in accordance with IFRS as issued by the IASB. This information should be read in conjunction with, and is qualified by reference to, the audited annual financial statements of TCCI and notes thereof for the years ended 31 March 2015 and 31 March 2014.

### Statements of Financial Position as at 31 March

	2015	2014
	(C\$'000)	(C\$'000)
<b>Assets</b>		
Cash and cash equivalents.....	20,534	22,169
Finance receivables - net.....	10,982,628	10,205,137
Derivative assets.....	509,519	168,082
Other assets .....	2,155	3,123
	<u>11,514,836</u>	<u>10,398,511</u>
<b>Liabilities</b>		
Cheques and other items in transit.....	715	538
Accounts payable and accrued liabilities .....	26,016	20,488
Due to affiliated company.....	132,573	121,828
Income and other taxes payable.....	9,147	13,449
Interest payable .....	31,450	33,300
Debt payable .....	9,621,361	8,730,857
Derivative liabilities .....	94,624	24,636
Collateral liabilities .....	111,900	-
Deferred taxes .....	505,998	461,962
	<u>10,533,784</u>	<u>9,407,058</u>
<b>Shareholder's Equity</b>		
Share capital.....	60,000	60,000
Retained earnings .....	921,052	931,453
	<u>981,052</u>	<u>991,453</u>
	<u>11,514,836</u>	<u>10,398,511</u>

**Statements of Income and Comprehensive Income  
for the years ended 31 March**

	2015	2014
	(C\$'000)	(C\$'000)
Financing revenue .....	566,880	541,420
Other income.....	810	406
	<u>567,690</u>	<u>541,826</u>
<b>Other (losses) gains.....</b>	<b>(6,208)</b>	<b>15,504</b>
<b>Expenses</b>		
Interest .....	203,863	199,046
Employee benefits .....	16,102	15,268
Provision for finance receivables.....	11,810	2,071
Other.....	3,881	4,196
Registration and search costs .....	6,370	5,871
IT and communications .....	5,579	4,975
Occupancy .....	1,033	1,111
Depreciation and amortisation.....	1,247	1,509
	<u>249,885</u>	<u>234,047</u>
<b>Income before income taxes.....</b>	<b>311,597</b>	<b>323,283</b>
<b>Income taxes</b>		
Current.....	38,295	35,035
Deferred.....	45,139	53,768
	<u>83,434</u>	<u>88,803</u>
<b>Net income for the year .....</b>	<b>228,163</b>	<b>234,480</b>
<b>Other comprehensive income (loss)</b>		
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit pension plans – net of income taxes of C\$1,103 (2014 – C\$377).....	(3,018)	1,066
<b>Comprehensive income for the year - attributable to the owner of the parent.....</b>	<b>225,145</b>	<b>235,546</b>

**Statements of Cash Flows  
for the years ended 31 March**

	<b>2015</b>	<b>2014</b>
	(C\$'000)	(C\$'000)
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net income for the year .....	228,163	234,480
Items not requiring cash		
Provision for finance receivables .....	11,810	2,071
Amortisation of other assets .....	6,668	5,929
Amortisation of debt issuance costs .....	4,951	4,295
Amortisation of debt premiums/discounts .....	21	(137)
Foreign exchange loss .....	204,949	116,605
Deferred income taxes .....	44,036	54,145
	<u>500,598</u>	<u>417,388</u>
Changes in operating accounts		
Increase (decrease) in cheques and other items in transit .....	177	(9,433)
(Decrease) increase in income and other taxes payable .....	(4,302)	6,433
Increase in other assets .....	(5,700)	(5,008)
(Decrease) increase in interest payable - net .....	(1,850)	2,300
Increase in accounts payable, accrued liabilities and collateral .....	114,410	6,051
Increase (decrease) in due to affiliated company .....	10,745	(23,273)
Increase in derivative assets/liabilities .....	(271,449)	(152,645)
Increase in finance receivables - acquisitions .....	(8,845,393)	(8,302,189)
Decrease in finance receivables - collections and liquidations .....	8,056,091	7,744,935
	<u>(446,673)</u>	<u>(315,441)</u>
<b>Financing activities</b>		
Issuance of bonds and loans payable .....	1,890,878	1,370,560
Repayment of bonds and loans payable .....	(918,021)	(602,612)
Decrease in commercial paper - net .....	(292,273)	(213,936)
Payment of dividends .....	(235,546)	(230,640)
	<u>445,038</u>	<u>323,372</u>
Change in cash and cash equivalents during the year .....	(1,635)	7,931
Cash and cash equivalents – Beginning of year .....	<u>22,169</u>	<u>14,238</u>
Cash and cash equivalents – End of year .....	<u><u>20,534</u></u>	<u><u>22,169</u></u>
<b>Supplementary disclosure</b>		
Income taxes paid .....	39,973	28,654



**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 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 2015, TFA had 569.28 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. Other than TFAW and the following securitisation entities: the Southern Cross Toyota 2009-1 Trust and the King Koala TFA, 2012-1 Trust, 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 acquisition of motor vehicles by customers in the form of leasing, term purchase, consumer and commercial loans;
- to provide bailment facilities and commercial loans to motor dealers;
- to provide operating lease and fleet management services to customers; and
- to sell retail insurance policies underwritten by third party insurers.

TFA operates in the following business and geographical segments:

*Business segments*

- Retail - comprising loans and leases to personal and commercial customers including wholesale finance which comprises loans and bailment to motor vehicle dealerships; and
- Fleet - comprising loans and leases to small business and fleet customers consisting of medium to large commercial clients and government bodies.

*Geographical segments*

TFA’s business segments operate in Australia.

**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 and Lexus vehicles in Australia.

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

Higher levels of sales of new and used Toyota and Lexus 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 and Lexus 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 and Lexus vehicles. Since TFA acquired the rights to market the factory extended warranty products from TMCA, it has insured all of its liability for claims in respect of new and used Toyota and Lexus vehicles with licensed insurers. The factory extended warranty products are only available at point of sale of Toyota and Lexus vehicles and a recent change in Australian consumer laws has impacted the viability of the sale of the factory extended warranty products.

#### *Other funding sources*

TFA has two domestic securitisation programmes. Under each programme, vehicle finance receivables up to a specified maximum total amount may be sold into a special-purpose securitisation trust. TFA provides subordinated funding to each trust. The accounts of each trust are included in TFA's consolidated financial statements.

Details of each programme are as follows:

<b>Date</b>	<b>Limit (A\$ million)</b>	<b>Commitment</b>	<b>TFA funded Mezzanine Note*</b>	<b>Balance at 31 March 2015 (A\$ million)</b>
November 2009.....	\$3,400	Uncommitted	25%	\$1,399.2
March 2012.....	\$1,500	Uncommitted	15%	\$1,189.7

\*TFA subordinated funding

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, TFAW and the Southern Cross Toyota 2009-1 Trust, the Southern Cross Toyota 2011-1 Trust (this trust was terminated during the year ended 31 March 2015 and from its termination date ceased to be a member of the Group), the King Koala TFA 2012-1 Trust and the Southern Cross Toyota 2012-1 Trust (this trust was terminated during the year ended 31 March 2015 and from its termination date ceased to be a member of the Group) (collectively the "*Group*" for the purposes of the following five paragraphs, except with respect to Toyota Technical Centre Asia Pacific Australia Pty Ltd, which is not a party to the GST grouping arrangement).

The main purpose of these arrangements 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 arrangements effectively allocate 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 Taxation 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 jointly and severally liable for the income tax liabilities of the income tax consolidated group. 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 Taxation Office.

Transactions by other members of the Group with external parties may be subject to review by the tax authorities and would be dealt with by the head company of the relevant group. As such, TFA will generally either have no knowledge, or not have detailed knowledge, of any such review as they pertain to other members of the Group.

Potential future, Australian Government policy measures, including but not limited to potential future stimulus measures or potential new measures arising from Australian Government sponsored reviews of the Australian tax system or for any other reasons, may directly or indirectly impact TFA's net income. A later future modification or cessation of such potential future measures may adversely impact the net income of TFA.

### **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. J.R. Chandler (President) of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

Mr. I. Ritchens of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

Mr. D. Miles of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

Mr. Y. Toura of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

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

Mr. B. Knight of 602 Great South Road, Greenlane, Auckland, New Zealand.

Mr. A. Cramb of 155 Bertie Street, Port Melbourne, Victoria, 3207, Australia.

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

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

Mr. S. Abe (Alternate director) of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

Mr. S. Watanabe (Alternate director) of 155 Bertie Street, Port Melbourne, Victoria, 3207, 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 Executive 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. As at the date of this Prospectus, the members of the Executive Committee are Mr. John Chandler, Mr. Ian Ritchens, Mr. Daniel Miles, Mr. Yoshiro Toura and Mr. Shin Abe. There are no non-executive members of the Executive Committee. The Executive Committee has recently been restructured by the establishment of a separate Audit Committee (constituted by the members of the Executive Committee and the Internal Auditor) to review all audit outcomes and any remedial action proposed or taken to resolve any issues of non-compliance. All internal audit programmes and internal audit reports are tabled at TFA's Audit Committee for approval and review. In addition the Executive Committee has established a separate Compliance Committee to oversee TFA's legal compliance review programme. Representatives of the Compliance Committee include Executive Committee members together with key divisional general managers, corporate counsel and compliance manager. Minutes of all Audit Committee and Compliance Committee meetings are tabled for the information and noting by the TFA Board of Directors.

#### **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 below has been extracted without material adjustment from the audited consolidated financial statements in the Annual Financial Report of TFA for the year ended 31 March 2015. This information should be read in conjunction with, and is qualified by reference to, the audited consolidated annual financial statements of TFA and notes thereof for the years ended 31 March 2015 and 31 March 2014.

The audited consolidated financial statements for the financial years ended 31 March 2015 and 31 March 2014 are prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board as well as the Australian Corporations Act and comply with IFRS as issued by the IASB.

### Statements of Financial Position as at 31 March

	Consolidated 2015 (A\$'000)	Consolidated 2014 (A\$'000)
<b>Assets</b>		
Cash and cash equivalents.....	1,272,771	676,353
Loans and receivables .....	13,321,278	13,094,887
Derivative financial instruments.....	646,735	129,785
Investments accounted for using the equity method .....	65,716	66,038
Intangible assets.....	44,988	43,429
Property, plant and equipment.....	10,592	18,259
Deferred tax assets .....	28,257	27,927
Other assets .....	38,119	40,370
Total assets .....	<u>15,428,456</u>	<u>14,097,048</u>
<b>Liabilities</b>		
Due to banks and other financial institutions.....	5,714,816	6,417,491
Bonds and commercial paper .....	8,275,176	6,297,074
Derivative financial instruments.....	127,909	170,699
Other liabilities .....	325,221	322,048
Total liabilities.....	<u>14,443,122</u>	<u>13,207,312</u>
Net assets .....	<u>985,334</u>	<u>889,736</u>
<b>Equity</b>		
Contributed equity .....	120,000	120,000
Reserves .....	8,100	5,467
Retained earnings .....	857,234	764,269
Total equity .....	<u>985,334</u>	<u>889,736</u>

**Statements of Comprehensive Income for the years ended 31 March**

	Consolidated 2015	Consolidated 2014
	(A\$'000)	(A\$'000)
Interest and similar revenue.....	842,958	858,576
Interest expense and similar charges.....	(454,011)	(503,551)
Net financing income.....	388,947	355,025
Other income.....	31,992	31,186
<b>Net operating income.....</b>	<b>420,939</b>	<b>386,211</b>
Bad and doubtful debts expense.....	(86,935)	(42,987)
Employee benefits expense.....	(80,446)	(76,726)
Depreciation, amortisation and impairment expense.....	(22,835)	(18,075)
IT and communication expense.....	(9,252)	(9,461)
Sales and marketing expense.....	(9,401)	(10,705)
Occupancy.....	(5,824)	(5,992)
Other expenses.....	(17,155)	(16,736)
Share of net profits of associates accounted for using the equity method.....	8,675	9,741
<b>Profit before income tax.....</b>	<b>197,766</b>	<b>215,270</b>
Income tax expense.....	(57,050)	(61,044)
<b>Profit attributable to owners of the parent.....</b>	<b>140,716</b>	<b>154,226</b>
<b>Other comprehensive income</b>		
<i>Items that may be classified to profit or loss</i>		
Exchange differences on translation of foreign operations.....	2,633	9,084
<b>Total comprehensive income attributable to the owners of the parent.....</b>	<b>143,349</b>	<b>163,310</b>

**Statements of Cash Flows for the years ended 31 March**

	Consolidated 2015	Consolidated 2014
	(A\$'000)	(A\$'000)
<b>Cash flows from operating activities</b>		
Net cash outflow from lending and other operating activities....	(534,373)	(522,173)
Interest received .....	964,782	967,763
Interest paid.....	(451,506)	(468,735)
Income taxes paid.....	(55,065)	(71,583)
<b>Net cash (outflow) from operating activities .....</b>	<b>(76,162)</b>	<b>(94,728)</b>
<b>Cash flows from investing activities</b>		
Payments of intangible assets.....	(19,151)	(19,950)
Payments of property and equipment .....	(11,837)	(15,985)
Proceeds from sale of property and equipment .....	8,761	3,104
Dividends received from associate .....	11,630	5,356
<b>Net cash (outflow) from investing activities .....</b>	<b>(10,597)</b>	<b>(27,475)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings .....	10,362,237	12,847,417
Repayments of borrowings .....	(9,631,309)	(12,318,734)
Dividends paid .....	(47,751)	(28,990)
<b>Net cash inflow from financing activities .....</b>	<b>683,177</b>	<b>499,693</b>
<b>Net increase in cash and cash equivalents .....</b>	<b>596,418</b>	<b>377,490</b>
<b>Cash and cash equivalents at beginning of period .....</b>	<b>676,353</b>	<b>298,863</b>
<b>Cash and cash equivalents at end of period .....</b>	<b>1,272,771</b>	<b>676,353</b>

## 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 under the laws of the State of California to continue perpetually. 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 (including Scion) and Lexus vehicle dealers or dealer groups 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) (the “U.S.”) and Puerto Rico. In addition, TMCC also provides financing to industrial equipment dealers and their customers in the U.S. TMCC’s products fall primarily into the following categories:

**Finance** - TMCC acquires a broad range of retail finance products including consumer and commercial instalment sales contracts (collectively referred to as “*retail contracts*”) in the U.S. and Puerto Rico and leasing contracts accounted for as either direct finance leases or operating leases (“*lease contracts*”) from vehicle and industrial equipment dealers in the U.S. TMCC collectively refers to its retail and lease contracts as the consumer portfolio. TMCC also provides dealer financing, including wholesale financing (also referred to as “*floorplan financing*”), working capital loans, revolving lines of credit and real estate financing to vehicle and industrial equipment dealers in the U.S. and Puerto Rico.

**Insurance** - Through a wholly-owned subsidiary, TMCC provides marketing, underwriting and claims administration related to covering certain risks of vehicle dealers and their customers in the U.S. TMCC also provides coverage and related administrative services to certain of its affiliates in the U.S.

TMCC supports growth in earning assets through funding obtained primarily in the global capital markets as well as funds provided by investing and operating activities. Refer to Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources” in TMCC’s Form 10-K for the financial year ended 31 March 2015 (“*FY2015 10-K*”) and TMCC’s Form 10-Q for the three months ended 30 June 2015, which are incorporated by reference into this Prospectus for a discussion of TMCC’s funding activities.

TMCC primarily acquires retail contracts, lease contracts and insurance contracts from vehicle dealers through approximately 30 dealer sales and services offices (“*DSSOs*”) and services the contracts through three regional customer service centres (“*CSCs*”) located throughout the U.S. Contract acquisition and servicing for commercial vehicles and industrial equipment dealers are performed at TMCC’s headquarters in Torrance, California. The DSSOs primarily support vehicle dealer financing needs by providing services such as evaluating retail and lease contracts for acquisition 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 both retail contract customers and lease contract customer accounts. The Central region CSC also supports insurance operations by providing agreement and claims administrative services.

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



### **Seasonality**

Revenues generated by TMCC's retail and lease contracts are generally not subject to seasonal variations. TMCC's 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. TMCC is subject to seasonal variations in credit losses, which are historically higher in the first and fourth calendar quarters of the year.

### **Geographic Distribution of Operations**

As of 31 March 2015, approximately 21 per cent. of vehicle retail and lease contracts were concentrated in California, 10 per cent. in Texas, 8 per cent. in New York and 6 per cent. in New Jersey. As of 31 March 2015, approximately 26 per cent. of insurance policies and contracts were concentrated in California, 7 per cent. in New York and 6 per cent. in New Jersey. Any material adverse changes to the economies or applicable laws in these states could have an adverse effect on TMCC's financial condition and results of operations.

TMCC's executive and registered offices are located at, and the contact address for TMCC's Board of Directors is, 19001 South Western Avenue, Torrance, California 90501; telephone number +1 310 468 1310.

### **Finance Operations**

TMCC acquires retail and lease contracts from, and provides financing and certain other financial products and services to, authorised Toyota and Lexus vehicle dealers and, to a lesser extent, other domestic and import franchise dealers and their customers in the U.S. and Puerto Rico. TMCC also offers financing for various industrial and commercial products such as forklifts and light and medium-duty trucks. Revenues related to transactions with industrial equipment dealers contributed approximately 3 per cent., 4 per cent. and 3 per cent. to total financing revenues in the fiscal years ended 31 March 2015 ("fiscal 2015"), 31 March 2014 ("fiscal 2014") and 31 March 2013 ("fiscal 2013"), respectively.

The table below summarises TMCC's financing revenues, net of depreciation by primary product.

	<b>Years Ended 31 March</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Percentage of financing revenues, net of depreciation:			
Operating leases, net of depreciation .....	36%	31%	32%
Retail* .....	52%	56%	56%
Dealer .....	12%	13%	12%
Financing revenues, net of depreciation.....	100%	100%	100%

\*Includes direct finance lease revenues

### **Retail and Lease Financing**

#### **Pricing**

TMCC utilises a tiered pricing programme for retail and lease contracts. The programme matches contract interest rates with customer risk as defined by credit bureau scores and other factors for a range of price and risk combinations. Each application is assigned a credit tier. Rates vary based on credit tier, term, loan-to-value and collateral, including whether a new or used vehicle is financed. In addition, special rates may apply as a result of promotional activities. TMCC reviews and adjusts interest rates based on competitive and economic factors and distribute the rates, by tier, to TMCC's dealers.

#### **Underwriting**

TMCC acquires new and used vehicle and industrial equipment retail and lease contracts primarily from Toyota and Lexus vehicle dealers and industrial equipment dealers. Dealers transmit customer credit applications electronically through TMCC's on-line system for contract acquisition. The customer may submit a credit application directly to TMCC's website, in which case, the credit

application is sent to the dealer of the customer's choice or to a dealer that is near the customer's residence. In addition, through TMCC's website, customers are able to request a pre-qualification letter for presentation to the dealer specifying the maximum amount that may be financed. Upon receipt of the credit application, TMCC's origination system automatically requests a credit bureau report from one of the major credit bureaus. TMCC uses a proprietary credit scoring system to evaluate an applicant's risk profile. Factors used by the credit scoring system (based on the applicant's credit history) include the terms of the contract, ability to pay, debt ratios, amount financed relative to the value of the vehicle and credit bureau attributes such as number of trade lines, utilisation ratio and number of credit inquiries.

Credit applications are subject to systematic evaluation. TMCC's origination system evaluates each credit application to determine if it qualifies for automatic approval ("*auto-decisioning*"). The system distinguishes this type of applicant by specific requirements and approves the application without manual intervention. The origination system is programmed to review application information for purchase policy and legal compliance. Typically, the highest quality credit applications are approved automatically. The automated approval process approves only the applicant's credit eligibility.

Credit analysts (located at the DSSOs) approve or reject all credit applications that are not auto-decided. A credit analyst decisions applications based on an evaluation that considers an applicant's creditworthiness and projected ability to meet the monthly payment obligation, which is derived, among other things, from the amount financed and the term. TMCC's proprietary scoring system assists the credit analyst in the credit review process.

Completion of the financing process is dependent upon whether the transaction is a retail or lease contract. For a retail contract transaction, TMCC acquires the retail contract from vehicle and industrial equipment dealers and obtains a security interest in the vehicle or industrial equipment. For a lease contract, except as described below under "*Servicing*", TMCC acquires the lease contract and concurrently assumes ownership of the leased vehicle or industrial equipment. TMCC views its lease arrangements, including its operating leases, as financing transactions as it does not re-lease the vehicle or equipment upon default or lease termination.

TMCC regularly reviews and analyses its retail and lease contract portfolio to evaluate the effectiveness of its underwriting guidelines and purchasing criteria. If external economic factors, credit losses or delinquency experience, market conditions or other factors change, TMCC may adjust its underwriting guidelines and purchasing criteria in order to change the asset quality of its portfolio.

#### *Subvention*

In partnership with Toyota Motor Sales, U.S.A., Inc. ("*TMS*"), Toyota Material Handling, U.S.A., Inc. ("*TMHU*"), Hino Motor Sales, U.S.A., Inc. ("*HINO*"), and other third party distributors, TMCC may offer special promotional rates, which TMCC refers to as subvention programmes. TMS is the primary distributor of Toyota, Lexus and Scion vehicles in the United States. TMHU is the primary distributor of Toyota forklifts in the U.S., and HINO is the exclusive U.S. distributor of commercial trucks manufactured by Hino Motors Ltd. (a TMC subsidiary). These affiliates pay TMCC the majority of the difference between TMCC's standard rate and the promotional rate. Amounts received in connection with these programmes allow TMCC to maintain yields at levels consistent with standard programme levels. The level of subvention programme activity varies based on TMCC's affiliates' marketing strategies, economic conditions and volume of vehicle sales. The amount of subvention TMCC receives varies based on the mix of Toyota, Lexus and Scion vehicles and industrial equipment included in the promotional rate programmes and the timing of programmes. TMCC receives the subvention payments at the beginning of the retail or lease contract. TMCC defers the payments and recognises them over the life of the contract as a yield adjustment for retail contracts and as rental income for lease contracts. A large portion of TMCC's retail and lease contracts is subvened.

#### *Servicing*

TMCC's CSCs are responsible for servicing the vehicle retail and lease contracts. A centralised department manages vendor relationships responsible for the bankruptcy administration and post charge-off recovery and liquidation activities. TMCC's industrial equipment retail and lease contracts are serviced at a centralised facility.

TMCC uses a behavioural-based collection strategy to minimise risk of loss and employs various collection methods. When contracts are acquired, TMCC perfects its security interests in the financed retail vehicles and industrial equipment through state department of motor vehicles (or equivalent) certificate of title filings or through Uniform Commercial Code (“UCC”) filings, as appropriate. TMCC 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 uses an on-line collection and auto dialler system that prioritises collection efforts, generates past due notices and signals its collections personnel to make telephone contact with delinquent customers. Collection efforts are based on behavioural scoring models (which analyse borrowers’ past payment performance, vehicle valuation and credit scores to predict future payment behaviour). TMCC generally determines whether to commence repossession efforts after 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 by TMCC to the extent practical and legally permissible. Any surplus amounts remaining after sale fees and expenses have been paid, and any reserve charge-backs and/or dealer guarantees, are refunded to the customers. Collections of deficiencies and refunds of surplus are administered at a centralised facility. TMCC will charge-off the amount TMCC does not expect to collect when payments due are no longer expected to be received or the account is 120 days contractually delinquent, whichever occurs first.

TMCC may, in accordance with its customary servicing procedures, offer rebates or 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 contracts. 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 lease contracts 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 default.

TMCC may experience a higher risk of loss if customers fail to maintain required insurance coverage. The terms of TMCC’s retail contracts 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. The terms of each contract allow, but do not require, TMCC to obtain any such coverage on behalf of the customer. In accordance with TMCC’s normal servicing procedures, TMCC does not obtain insurance coverage on behalf of the customer. 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 currently does not monitor ongoing maintenance of insurance as part of its customary servicing procedures for retail or lease accounts.

Toyota Lease Trust, a Delaware business trust (the “*Titling Trust*”), acts as lessor and holds title to certain leased vehicles in specified states. This arrangement was established to facilitate lease securitisations. TMCC services lease contracts acquired by the Titling Trust from Toyota and Lexus vehicle dealers 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 TMCC’s lease assets.

#### *Remarketing*

At the end of the lease term, the lessee may 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 may purchase the leased asset or return it to TMCC. TMCC is responsible for disposing of the leased asset if the lessee, vehicle dealer or industrial equipment dealer does not purchase the asset at lease maturity.

In order to minimise losses 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 end and repossessed vehicles, including a dealer direct programme (“*Dealer Direct*”) and physical auctions.

The goal of Dealer Direct is to increase vehicle dealer purchases of off-lease vehicles thereby reducing the disposition costs of such vehicles. Through Dealer Direct, the vehicle dealer accepting

return of the leased vehicle (the “*grounding dealer*”) has the option to purchase the vehicle at the contractual residual value, purchase the vehicle at an assessed market value or return the vehicle to TMCC. Vehicles not purchased by the grounding dealer are made available to all Toyota and Lexus vehicle dealers through the Dealer Direct on-line auction. Vehicles not purchased through Dealer Direct are sold at physical vehicle auction sites throughout the U.S. Where deemed necessary, TMCC reconditions used vehicles prior to sale in order to enhance the vehicle values at auction. Additionally, TMCC redistributes vehicles geographically to minimise oversupply in any one location.

Industrial equipment returned by the lessee or industrial equipment dealer is sold through authorised Toyota industrial equipment dealers or wholesalers using an auction process.

### ***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 to vehicle and industrial equipment dealers for inventories of new and used Toyota, Lexus, Scion and other domestic and import 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 TMS are parties to an agreement pursuant to which TMS will arrange for the repurchase of new Toyota, Lexus and Scion vehicles at the aggregate cost financed by TMCC in the event of vehicle dealer default under wholesale financing. TMCC is also party to similar agreements with TMHU, HINO and other domestic and import manufacturers. In addition, TMCC provides other types of financing to certain Toyota and Lexus dealers and other third parties, at the request of TMS or private Toyota distributors, and TMS or the applicable private distributor guarantees the payment by such borrowers.

#### ***Other Dealer Financing***

TMCC provides working capital loans, revolving lines of credit and real estate financing to vehicle and industrial equipment dealers for facilities construction and refurbishment, working capital requirements, real estate purchases and other general business purposes. TMCC’s credit facility pricing reflects market conditions, the competitive environment, the level of support dealers provide TMCC’s retail, lease and insurance business and the creditworthiness of each dealer. These loans are typically secured with liens on real estate, vehicle inventory and/or other dealership assets, as appropriate, and may be 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.

Before establishing a wholesale line or other dealer financing arrangement, TMCC performs a credit analysis of the dealer. During the analysis, TMCC:

- reviews credit reports and financial statements and may obtain bank references;
- evaluates the dealer’s financial condition; and
- assesses the dealer’s operations and management.

On the basis of this analysis, TMCC may approve the issuance of a credit line and determine the appropriate size.

As part of TMCC's monitoring process, TMCC requires all dealers to submit monthly financial statements. TMCC also performs periodic physical audits of vehicle inventory as well as monitoring the timeliness of dealer inventory financing payoffs in accordance with the terms agreed-upon to identify possible risks.

### **Insurance Operations**

TMCC markets its insurance products through Toyota Motor Insurance Services, Inc., a wholly-owned subsidiary (together with its insurance company subsidiaries, collectively, "*TMIS*"). The principal activities of TMIS include marketing, underwriting and claims administration related to covering certain risks of Toyota, Lexus, Scion and other domestic and import franchise dealers and their customers in the U.S. TMIS also provides other coverage and related administrative services to certain of TMCC's affiliates in the U.S.

Gross revenues from insurance operations on a consolidated basis comprised 8 per cent. of total gross revenues for fiscal 2015, 8 per cent. for fiscal 2014 and 9 per cent. for fiscal 2013.

### **Products and Services**

TMIS offers various products and services on Toyota, Lexus, Scion and other domestic and import vehicles, such as vehicle service agreements, guaranteed auto protection agreements, prepaid maintenance contracts, excess wear and use agreements and tyre and wheel protection agreements. Vehicle service agreements offer vehicle owners and lessees mechanical breakdown protection for new and used vehicles secondary to the manufacturer's new vehicle warranty. Guaranteed auto protection insurance and debt cancellation agreements provide coverage for a lease or retail contract deficiency balance in the event of a total loss or theft of the covered vehicle. Prepaid maintenance contracts provide maintenance services at manufacturer recommended intervals. Excess wear and use agreements are available on leases of Toyota, Lexus and Scion vehicles and protect against excess wear and use charges that may be assessed at lease termination. Tyre and wheel protection, which was introduced in December 2013, provides coverage in the event that a covered vehicle's tyres or wheels become damaged as a result of a road hazard or structural failure due to defect in material or workmanship, to the extent not covered by manufacturer or tyre distributor warranty.

Prior to 1 March 2014, Toyota, Lexus and other domestic and import vehicle dealers obtained coverage for inventory financed by TMCC through TMIS. Beginning 1 March 2014, participating Toyota, Lexus and other domestic and import vehicle dealers obtain coverage for eligible vehicle inventory through a third party who cedes 100 per cent. of the business to TMIS. TMIS continues to purchase third party reinsurance covering the excess of certain dollar maximums per occurrence and in the aggregate, the amount of which remains unchanged. Through reinsurance, TMIS limits its exposure to losses by obtaining the right to reimbursement from the assuming company for the reinsured portion of losses.

TMIS obtains a portion of the vehicle service contract business by providing TMS contractual indemnity coverage on certified Toyota, Lexus and Scion pre-owned vehicles. TMIS also provides umbrella liability insurance to TMS and affiliates covering certain dollar value layers of risk above various primary or self-insured retentions. On all layers in which TMIS provides coverage, 99 per cent. of the risk is ceded to various reinsurers. In addition, TMIS provides property deductible reimbursement insurance to TMS and affiliates covering losses incurred under their primary policy.

### **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, no par value, 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>
Michael Groff of 19001 South Western Avenue, Torrance, California 90501, United States	Director, President and Chief Executive Officer, TMCC Director, President and Chief Executive Officer, TFSA;	USA
Toshiaki Kawai of 19001 South Western Avenue, Torrance, California 90501, United States	Director, Executive Vice President and Treasurer, TMCC; Director, Executive Vice President and Treasurer, TFSA	USA
Christopher Ballinger of 19001 South Western Avenue, Torrance, California 90501, United States	Director, Senior Vice President and Chief Financial Officer, TMCC; Senior Vice President and Chief Financial Officer, TFSA	USA
Ron Chu of 19001 South Western Avenue, Torrance, California 90501, United States	Vice President, Accounting and Tax, TMCC; Vice President, Tax, TFSA	USA
James E. Lentz III of 5360 Legacy Drive, Building 1, Plano, TX 75024, United States	Director, TMCC; Director, President and Chief Operating Officer, Toyota Motor North America, Inc.;	USA
Kazuo Ohara of 19001 South Western Avenue, Torrance, California 90501, United States	Senior Managing Officer, TMC Director, TMCC; Senior Vice President, Toyota Motor North America, Inc.;	USA
	Director, President and Chief Executive Officer, TMS; Managing Officer, TMC	
Riki Inuzuka of Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan	Director, TMCC; Director, President and Chief Executive Officer, TFS; Director, TFSA; Managing Officer, TMC	Japan

All of the directors of TMCC's Board of Directors 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, Anthony Salcido, Toshiaki Kawai and Katherine Adkins 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 charter.

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 at least four times annually and can convene additional meetings as necessary and request the presence of management and external advisers 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 included in periodic SEC filings; each Form 10-Q and Form 10-K prior to its filing with the SEC; TMCC's financial reporting and accounting standards and principles and the key accounting decisions affecting TMCC's financial statements; and the process for the Chief Executive Officer and Chief Financial Officer 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 firm's independence. The Committee has responsibility to pre-approve audit engagement fees and terms and any other non-audit services provided to TMCC by the independent auditor.

The Committee reviews, approves and directs TMCC's internal audit functions and reviews the results of internal audits, including key audit findings. The Committee also oversees management's monitoring of compliance with TMCC's Code of Ethics, laws and regulations.

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 equity securities 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 organised 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.

## **Regulatory Environment**

TMCC's finance and insurance operations are regulated under both federal and state laws, including those described below. The Equal Credit Opportunity Act is designed to prevent credit discrimination on the basis of certain protected classes, requires the distribution of specified credit decision notices and limits the information that may be requested and considered in a credit transaction. The Truth in Lending Act and the Truth in Leasing Act place disclosure and substantive transaction restrictions on consumer credit and leasing transactions. The Fair Credit Reporting Act imposes restrictions and requirements regarding TMCC's use and sharing of credit reports, the reporting of data to credit reporting agencies, credit decision notices, the accuracy and integrity of information reported to the credit reporting agencies and identity theft prevention requirements. TMCC is also subject to the Servicemembers Civil Relief Act, which requires TMCC, in most circumstances, to reduce the interest rate charged to customers who have subsequently joined, enlisted, been inducted or called to active military duty. Federal privacy and data security laws place restrictions on TMCC's use and sharing of consumer data, impose privacy notice requirements, give consumers the right to opt out of certain uses and sharing of their data and impose safeguarding rules regarding the maintenance, storage, transmission and destruction of consumer data. In addition, the dealers who originate TMCC's retail and lease contracts also must comply with both state and federal credit and trade practice statutes and regulations. Failure of the dealers to comply with these statutes and regulations could result in remedies that could have an adverse effect on TMCC.

The Dodd-Frank Act, which was enacted in 2010, and its implementing regulations have had, and will likely continue to have, broad implications for the consumer financial services industry. The CFPB has broad regulatory and enforcement authority over entities offering consumer financial services or products, including non-bank companies, such as TMCC.

The CFPB has supervisory and examination authority over certain bank and non-bank entities (“*Covered Entities*”) and can examine Covered Entities for compliance with applicable laws. The CFPB has authority to order remediation of violations of consumer financial protection laws in a number of ways, including imposing civil monetary penalties and requiring Covered Entities to provide customer restitution and to improve their compliance management systems. TMCC became subject to the CFPB’s supervisory and examination authority as of 31 August 2015 when the CFPB’s final rule establishing its supervisory authority over larger participants in the auto finance industry took effect, as described below.

Under the so-called “larger participant rule” which became effective on 31 August 2015, the CFPB expanded the scope of its supervisory authority to include non-bank larger participants in the auto finance industry, including TMCC. Such supervisory authority allows the CFPB to conduct comprehensive and rigorous on-site examinations to assess compliance with consumer financial protection laws, and could result in enforcement actions, regulatory fines and mandated changes to TMCC’s business products, policies and procedures.

In addition to its supervisory and examination authority, the CFPB has enforcement authority. Under this authority, the CFPB is authorised to conduct investigations (which may include a joint investigation with other regulators) to determine whether any person is engaging in, or has engaged in, conduct that violates federal consumer financial protection laws and to initiate enforcement actions for such violations. The CFPB has the authority to obtain cease and desist orders (which can include orders for restitution or rescission of contracts, as well as other kinds of affirmative relief), or other forms of remediation, and/or impose monetary penalties. The CFPB and the Federal Trade Commission (“*FTC*”) have become more active in investigating the products, services and operations of credit providers, including banks and other finance companies engaged in auto finance activities. Both the FTC and CFPB have announced various enforcement actions against lenders in the past few years involving significant penalties, consent orders, cease and desist orders and similar remedies that, if applicable to auto finance providers and the products, services and operations TMCC offers, may require TMCC to cease or alter certain business practices, which could have a material effect on its financial condition, liquidity and results of operations.

The CFPB has focused on the area of auto finance, particularly with respect to fair lending compliance, including the payment of discretionary dealer compensation in indirect financing arrangements. In March 2013, the CFPB issued a bulletin stating that indirect auto lenders may be liable for violations under the Equal Credit Opportunity Act based on dealer-specific and portfolio-wide disparities on a prohibited basis. According to the CFPB allowing dealers to exercise discretion in marking up the interest rate above the indirect auto lender’s buy rate when negotiating terms with consumers on automobile instalment sales contracts may create a disparate impact resulting in pricing disparities on the basis of prohibited bases. In addition, the bulletin outlined steps that indirect auto lenders should take in order to comply with fair lending laws regarding dealer compensation policies. TMCC has adopted a dealer monitoring programme regarding the payment of dealer compensation in connection with retail instalment sales contracts as part of its larger fair lending compliance management system.

The CFPB, together with the U.S. Department of Justice (collectively, the “*Agencies*”), has requested that TMCC provides certain information about discretionary dealer compensation practices related to TMCC’s purchases of auto finance contracts from dealers. TMCC is voluntarily cooperating with this request for information. On 25 November 2014, TMCC received a letter from the Agencies alleging that such practices resulted in discriminatory pricing of loans to certain borrowers in violation of fair lending laws. The Agencies informed TMCC that they are authorised to initiate an enforcement proceeding unless TMCC agrees to a voluntary resolution satisfactory to them. The Agencies have indicated that they are seeking monetary relief and implementation of changes to TMCC’s discretionary dealer compensation practices and policies, which could adversely affect TMCC’s business. TMCC is continuing discussions with the Agencies and intends to achieve a voluntary resolution of these matters. However, if such resolution does not occur, TMCC may be subject to an enforcement action. TMCC has also received a request for documents and information from the New



York State Department of Financial Services relating to TMCC's lending practices (including fair lending), and TMCC is fully cooperating with this request. TMCC cannot predict the outcome of this request given its preliminary status.

The CFPB has also indicated a strong interest in debt collection and consumer reporting practices. In November 2013, the CFPB issued an advance notice of proposed rulemaking regarding debt collection, seeking input on, among other issues, whether it should issue rules to cover the conduct of creditors collecting in their own names on their own consumer loans and whether it should generally seek to apply rules developed for third party collectors to first party collectors, such as TMCC. The timing and impact of these anticipated rules on TMCC's business remain uncertain.

In addition, the CFPB has increased scrutiny of the sale of certain ancillary or add-on products, including extended warranties and credit insurance. Regulators have questioned such products' value and how such products are marketed and sold.

CFPB supervision, regulation, inquiries and related enforcement actions, if any, may result in monetary penalties, increase TMCC's compliance costs, require changes in TMCC's business practices, affect TMCC's competitiveness, impair TMCC's profitability, harm TMCC's reputation or otherwise adversely affect TMCC's business.

The Dodd-Frank Act also established the Financial Stability Oversight Council (the "*FSOC*"), which may designate non-bank financial companies that pose systemic risk to the United States financial system ("*SIFIs*") to be supervised by the Federal Reserve. The Federal Reserve is required to establish and apply enhanced prudential standards to SIFIs, including capital, liquidity, counterparty exposure, resolution plan and overall risk management standards. The FSOC uses a multi-stage review process to evaluate non-bank financial companies for potential designation and Federal Reserve supervision. If TMCC were designated after this multi-stage review process and any available appeal processes, TMCC could experience increased compliance costs, the need to change its business practices, and other adverse effects on its business.

In addition to the FSOC process, certain parallel regulatory efforts are underway on an international level. The Financial Stability Board ("*FSB*") - an international standard-setting authority - has proposed a methodology for assessing and designating non-bank non-insurer global-SIFIs ("*G-SIFIs*"). It is unclear when this framework will be finalised, what form a final framework may take, what policy measures will be recommended to apply to G-SIFIs, and whether TMCC or any of its affiliates would be designated and subject to additional regulatory requirements due to any potential G-SIFI designation.

In addition, certain financial companies with U.S.\$50 billion or more in assets, which could include TMCC, and FSOC-designated SIFIs are potentially subject to assessments under the new Orderly Liquidation Authority ("*OLA*"), which was created by the Dodd-Frank Act to provide the Federal Deposit Insurance Corporation ("*FDIC*") with authority to resolve large, complex financial companies outside of the normal bankruptcy process. Should a resolution under the OLA occur and the proceeds from liquidation are not able to fully cover the costs of resolution, the FDIC is required to impose assessments in accordance with factors specified in the Dodd-Frank Act. Therefore, the amount of any assessment that might result cannot currently be determined. Further, TMCC could be placed into resolution under the OLA if the United States Secretary of Treasury (in consultation with the President of the United States) were to determine that TMCC is in default or danger of default and that TMCC's resolution under other applicable law (for example, United States bankruptcy law) would have serious adverse effects on the financial stability of the United States. Resolution under the OLA could result in changes in TMCC's structure, organisation, and funding, and the repudiation of certain of TMCC's contracts by the FDIC, as receiver under the OLA.

As directed by the Dodd-Frank Act, on 10 December 2013, various federal financial regulators adopted final regulations to implement the Volcker Rule. The Volcker Rule generally prohibits companies affiliated with United States insured depository institutions from engaging in "proprietary trading" or acquiring or retaining any ownership interest in, sponsoring, or engaging in certain transactions with certain privately offered funds. The activities prohibited by the Volcker Rule are not core activities for TMCC, but TMCC continues to assess the full impact of the rule and the final implementing regulations based on developing regulatory and supervisory guidance.

Compliance with the implementing regulations under the Dodd-Frank Act or the oversight of the SEC or the CFPB may impose costs on, create operational constraints for, or place limits on pricing with respect to finance companies such as TMCC or TMCC's affiliates. Federal regulatory agencies have issued numerous additional rulemakings to implement various requirements of the Dodd-Frank Act, and some of these rules remain in proposed form. Agencies have issued rules establishing a comprehensive framework for the regulation of derivatives and requiring sponsors of asset-backed securities to retain an ownership stake in securitisation transactions. Although TMCC has analysed these and other rulemakings, the absence of final rules in some cases and the complexity of some of the proposed rules make it difficult for TMCC to estimate the financial, compliance or operational impacts.

A majority of U.S. states (and Puerto Rico) have enacted legislation establishing licensing requirements to conduct financing activities. TMCC must renew these licences periodically. Most states also impose limits on the maximum rate of finance charges. In certain states, the margin between the present statutory maximum interest rates and borrowing costs is sufficiently narrow that, in periods of rapidly increasing or high interest rates, there could be an adverse effect on TMCC's operations in these states if it were unable to pass on increased interest costs to TMCC's customers. Some state and federal laws impose rate and other restrictions on credit transactions with customers in active military status.

U.S. state laws also impose requirements and restrictions on TMCC with respect to, among other matters, required credit application and finance and lease disclosures, late fees and other charges, the right to repossess a vehicle for failure to pay or other defaults under the retail or lease contract, other rights and remedies TMCC may exercise in the event of a default under the retail or lease contract, privacy matters and other consumer protection matters.

TMCC's insurance operations are subject to state insurance regulations and licensing requirements. State laws vary with respect to which products are regulated and what types of corporate licences and filings are required to offer certain products and services. Certain products offered by TMIS are covered by federal and state privacy laws. Insurance company subsidiaries must be appropriately licensed in certain states in which they conduct business, must maintain minimum capital requirements and file annual financial information as determined by their state of domicile and the National Association of Insurance Commissioners. Failure to comply with these requirements could have an adverse effect on insurance operations in a particular state.

## SELECTED FINANCIAL INFORMATION OF TMCC

The following selected financial data as of and for the years ended 31 March 2015 and 2014 has been extracted without material adjustment from financial statements prepared in accordance with U.S. GAAP and audited by PricewaterhouseCoopers LLP, independent registered public accounting firm, included in TMCC's FY2015 10-K. The following selected financial data as of and for the three months ended 30 June 2015 and 2014 has been extracted without material adjustment from TMCC's unaudited financial statements included in TMCC's Quarterly Report on Form 10-Q for the quarter ended 30 June 2015. In the opinion of management, the unaudited financial information 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 2015 is not necessarily indicative of the results that may be expected for the full fiscal year or any other interim period. The FY2015 10-K and the Quarterly Report on Form 10-Q for the quarter ended 30 June 2015, 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

	30 June	31 March	
	2015	2015	2014
	(U.S. Dollars in Millions)		
Finance receivables, net.....	66,396	65,893	65,176
Investments in operating leases, net.....	32,759	31,128	24,769
Total assets.....	111,300	109,625	102,740
Debt.....	91,677	90,231	85,367
Capital stock (1).....	915	915	915
Retained earnings (2).....	7,518	7,383	6,621
Total shareholder's equity.....	8,612	8,520	7,738

(1) No par value (100,000 shares authorised; 91,500 issued and outstanding) at 30 June 2015 and at 31 March 2015 and 2014.

(2) The Board of Directors declared and paid cash dividends to TFSA of \$435 million during fiscal 2015 and \$665 million during fiscal 2014.

### Income Statement Data for the years ended 31 March and the three months ended 30 June

	Three Months Ended 30 June		Years Ended 31 March	
	2015	2014	2015	2014
	(U.S. Dollars in Millions)			
Financing Revenues:				
Operating lease.....	1,696	1,403	6,113	5,068
Retail.....	457	456	1,797	1,897
Dealer.....	102	101	400	432
Total financing revenues.....	2,255	1,960	8,310	7,397
Depreciation on operating leases.....	1,360	1,100	4,857	4,012
Interest expense.....	508	130	736	1,340
Net financing revenues.....	387	730	2,717	2,045
Insurance earned premiums and contract revenues.....	174	153	638	567
Investment and other income, net.....	38	35	194	135
Net financing revenues and other revenues.....	599	918	3,549	2,747

**Income Statement Data for the years ended 31 March  
and the three months ended 30 June**

	Three Months Ended 30 June		Years Ended 31 March	
	2015	2014	2015	2014
	(U.S. Dollars in Millions)			
Expenses:				
Provision for credit losses .....	45	38	308	170
Operating and administrative .....	270	233	1,046	965
Insurance losses and loss adjustment expenses .....	79	70	269	258
Total expenses .....	394	341	1,623	1,393
Income before income taxes .....	205	577	1,926	1,354
Provision for income taxes .....	70	213	729	497
Net income .....	135	364	1,197	857

**Cash Flow Statement Data for the years ended 31 March  
and the three months ended 30 June**

	Three Months Ended 30 June		Years Ended 31 March	
	2015	2014*	2015	2014*
	(U.S. Dollars in Millions)			
Cash flows from operating activities:				
Net income .....	135	364	1,197	857
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortisation .....	1,374	1,108	4,895	4,045
Recognition of deferred income .....	(413)	(352)	(1,539)	(1,278)
Provision for credit losses .....	45	38	308	170
Amortisation of deferred costs .....	161	150	628	589
Foreign currency and other adjustments to the carrying value of debt, net .....	380	75	(2,380)	(205)
Net realised (gains) from sales and other-than-temporary impairment on securities .....	(11)	(12)	(70)	-
Net change in:				
Restricted cash .....	(28)	(31)	(140)	(153)
Derivative assets .....	6	(38)	(4)	9
Other assets and accrued income .....	143	9	(350)	87
Deferred income taxes .....	73	121	760	516
Derivative liabilities .....	(47)	(3)	84	(11)
Other liabilities .....	131	220	378	248
Net cash provided by operating activities .....	1,949	1,649	3,767	4,874

\*Certain prior period amounts have been reclassified to conform to the current period presentation.

**Cash Flow Statement Data for the years ended 31 March  
and the three months ended 30 June**

	Three Months Ended 30 June		Years Ended 31 March	
	2015	2014*	2015	2014*
(U.S. Dollars in Millions)				
Cash flows from investing activities:				
Purchases of investments in marketable securities .....	(707)	(919)	(6,164)	(5,114)
Proceeds from sales of investments in marketable securities .....	98	81	991	596
Proceeds from maturities of investments in marketable securities .....	1,094	1,258	3,529	4,510
Acquisition of finance receivables .....	(6,685)	(6,591)	(25,584)	(25,790)
Collection of finance receivables .....	6,254	6,270	24,602	23,961
Net change in wholesale and certain working capital receivables .....	(53)	243	222	(804)
Acquisitions of investments in operating leases .....	(4,748)	(4,297)	(16,969)	(14,410)
Disposals of investments in operating leases .....	1,955	1,610	6,444	6,636
Net change in financing support provided (to) from affiliates .....	477	382	(12)	(241)
Cash equivalents un-restricted/(restricted) to acquire finance receivables and investment in operating leases ..	(771)	760	1,077	(1,077)
Other, net .....	(6)	(4)	(57)	(45)
Net cash used in investing activities .....	<u>(3,092)</u>	<u>(1,207)</u>	<u>(11,921)</u>	<u>(11,778)</u>
Cash flows from financing activities:				
Proceeds from issuance of debt .....	6,733	5,645	25,817	20,226
Payments on debt .....	(5,523)	(2,356)	(17,934)	(16,662)
Net change in commercial paper .....	(152)	(2,183)	(704)	3,123
Net change in financing support provided by affiliates ..	-	1	2	(26)
Dividend paid to TFSA .....	-	-	(435)	(665)
Net cash provided by financing activities .....	<u>1,058</u>	<u>1,107</u>	<u>6,746</u>	<u>5,996</u>
Net decrease (increase) in cash and cash equivalents .....	(85)	1,549	(1,408)	(908)
Cash and cash equivalents at the beginning of the period .....	<u>2,407</u>	<u>3,815</u>	<u>3,815</u>	<u>4,723</u>
Cash and cash equivalents at the end of the period .....	<u><u>2,322</u></u>	<u><u>5,364</u></u>	<u><u>2,407</u></u>	<u><u>3,815</u></u>
Supplemental disclosures:				
Interest paid .....	310	299	1,048	1,102
Income taxes (received) paid, net .....	(166)	19	143	(30)

\*Certain prior period amounts have been reclassified to conform to the current period presentation.

**Historical Consolidated Financial Information of TMCC**

Audited historical financial information of TMCC and its subsidiaries for fiscal 2015 and fiscal 2014, 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 69 of TMCC's FY2015 10-K, 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 2015 is set out on and from page 3 of TMCC's Quarterly Report on Form 10-Q for the quarter ended 30 June 2015, 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 an "Issuer Credit Support Agreement" and together the "Issuer Credit Support Agreements", as may be amended, modified or supplemented from time to time). TFS has entered into a 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 "TMC Credit Support Agreement", as may be amended, modified or supplemented from time to time). Each Issuer Credit Support Agreement together with the TMC Credit Support Agreement are collectively described in this Prospectus as the "Credit Support Agreements". The following is a summary of certain of the terms of the Issuer Credit Support Agreements and the TMC Credit Support Agreement, copies or, in the case of the TMC Credit Support Agreement, an English translation of which are available for inspection as stated in "General Information".

TFS has agreed with each of the Issuers in the Issuer 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 TMC Credit Support 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 Issuer Credit Support Agreements and the TMC Credit Support 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 Parent's obligations under the TMC Credit Support Agreement and the obligations of TFS under its Issuer Credit Support Agreements, rank *pari passu* with its direct, unconditional, unsubordinated and unsecured debt obligations.

The Issuer Credit Support Agreements and the TMC Credit Support 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 Issuer Credit Support Agreements and/or the TMC Credit Support Agreement, as the case may be.

The Issuer Credit Support Agreements and the TMC Credit Support 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 Issuer Credit Support Agreements and/or the TMC Credit Support 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 relevant Issuer Credit Support Agreement or the TMC Credit Support 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 Issuer Credit Support Agreements and/or the TMC Credit Support 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.

The Issuer Credit Support Agreements and the TMC Credit Support Agreement each provide that either TFS or the relevant Issuer, in the case of the Issuer Credit Support Agreements, or that either the Parent or TFS, in the case of the TMC Credit Support Agreement, may terminate such Agreement upon 30 days written notice to the other, with a copy to each statistical rating agency that, upon the request of the relevant Issuer or TFS, has issued a rating in respect of the relevant Issuer or any Securities, in the case of the Issuer Credit Support Agreements or, upon the request of TFS or the Parent, has issued a rating in respect of TFS or any TFS Securities, in the case of the TMC Credit Support Agreement (in each case a "Rating Agency"), subject to the limitation that termination will not take effect until or unless (i) all Securities, in the case of the Issuer Credit Support Agreements, or all TFS Securities, in the case of the TMC Credit Support Agreement, issued on or prior to the date of such termination notice have been repaid or (ii) each Rating Agency has confirmed to the relevant Issuer, in the case of the Issuer Credit Support Agreements, or TFS, in the case of the TMC Credit Support Agreement, that the debt ratings of all such Securities, in the case of the Issuer Credit Support

Agreements, or all TFS Securities, in the case of the TMC Credit Support Agreement, will be unaffected by such termination.

The Issuer Credit Support Agreements and the TMC Credit Support 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 relevant Issuer Credit Support Agreement and the TMC Credit Support 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 established by TMC to oversee the management of Toyota’s finance companies worldwide. TFS has 48 consolidated subsidiaries and seven affiliates, most of which are incorporated outside of Japan 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 35 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 +81-52-217-2300).

#### 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 Toyota’s finance 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 Financial Services Mexico, S.A. de C.V.	(TFSMX)
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 (UK) PLC	(TFSUK)
Germany	Toyota Kreditbank GmbH	(TKG)
France	Toyota Financial Services France	(TFSF)
Italy	Toyota Financial Services Italy	(TFSI)
Spain	Toyota Financial Services Espana	(TFSES)
Norway	Toyota Financial Services Norway	(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 Zrt.	(TFSH)
Poland	Toyota Bank Polska S.A.	(TBP)
Slovakia	Toyota Financial Services Slovakia s.r.o	(TFSSK)
South Africa	Toyota Financial Services South Africa Ltd.*	(TFSSA)
Russia	AO Toyota Bank	(TBR)
Kazakhstan	Toyota Financial Services Kazakhstan MFO LLP	(TFSKZ)

<i>Country by region</i>	<i>Name</i>	
<i>Asia &amp; Oceania</i>		
Australia	Toyota Finance Australia Limited	(TFA)
Thailand	Toyota Leasing (Thailand) Co., Ltd.	(TLT)
Malaysia	Toyota Capital Malaysia Sdn. Bhd.	(TCAPM)
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)
Vietnam	Toyota Financial Services Vietnam Company Limited	(TFSVN)
India	Toyota Financial Services India Ltd.	(TFSIN)
<i>Japan</i>		
	Toyota Finance Corporation	(TFC)
<i>Other Financial Services</i>		
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:

<i>Name</i>	<i>Position</i>
Riki Inuzuka (1)	President and Group Chief Executive Officer
Takuji Ikuta (1)	Executive Vice President, Group CFO and CRO
Takahiko Ijichi (2)	Executive Vice President of the Parent
Tetsuya Otake (2)	Managing Officer of the Parent

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.

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:

Name	Position
Eizo Sugiura	Corporate Auditor
Masaki Nakatsugawa	Full time Audit and Supervisory Board Member of the Parent
Masakuni Mori	General Manager of Finance Division of the Parent
Toyomitsu Ikeshima	Auditor of Tezukayama Gakuen, Incorporated Educational Institution

### **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 of Japan 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 2015, Toyota operated through 541 consolidated subsidiaries and 203 affiliated companies, of which 54 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 three other stock exchanges in Japan and 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. TMC is not directly or indirectly controlled by any of its shareholders.

*See page 107 of TMC’s Annual Report on Form 20-F for the year ended 31 March 2015, 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 8,972 thousand vehicles in fiscal 2015 on a consolidated basis. Toyota had net revenues of ¥27,234.5 billion and net income attributable to TMC of ¥2,173.3 billion in fiscal 2015.

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 TMC’s Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated by reference into this Prospectus.

	Yen in millions		
	Year Ended 31 March		
	2013	2014	2015
Automotive .....	¥ 20,378,762	¥ 23,733,855	¥ 25,006,224
Financial Services.....	1,150,042	1,379,267	1,621,685
All Other .....	535,388	578,789	606,612

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 instalment credit and leasing through the purchase of instalment and 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, information technology related businesses, including a web portal for automobile information called GAZOO.com, and sales promotions for KDDI’s communication-related products (predominantly the *au* brand).

Toyota sells its vehicles in approximately 170 countries and regions. Toyota's primary markets for its automobiles are Japan, North America, Europe and Asia. 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 TMC's Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated by reference into this Prospectus.

	Yen in millions		
	Year Ended 31 March		
	2013	2014	2015
Japan.....	¥ 7,910,456	¥ 8,532,875	¥ 8,338,881
North America.....	6,167,821	7,938,615	9,430,450
Europe.....	2,003,113	2,614,070	2,690,803
Asia.....	4,058,629	4,475,382	4,531,178
Other*.....	1,924,173	2,130,969	2,243,209

\* "Other" consists of Central and South America, Oceania, Africa and the Middle East.

During fiscal 2015, 24.0 per cent. of Toyota's automobile unit sales on a consolidated basis were in Japan, 30.3 per cent. were in North America, 9.6 per cent. were in Europe and 16.6 per cent. were in Asia. The remaining 19.5 per cent. of consolidated unit sales were in other markets.

### **Vehicle Models**

Toyota's vehicles (produced by Toyota, Daihatsu and Hino) can be classified into three categories: hybrid vehicles, conventional engine vehicles and fuel cell vehicles, which in December 2014 became available commercially for the first time in the world, in the Japanese market. 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.

### **Hybrid Vehicles**

The world's first mass-produced hybrid car was Toyota's Prius. It runs on an efficient combination of a gasoline engine and motor. This system allows the Prius to travel more efficiently than conventional engine vehicles of comparable size and performance. The hybrid design of the Prius also results in the output of 75 per cent. less emission than the maximum amount allowed by Japanese environmental regulations. Toyota views the Prius as the cornerstone of its emphasis on designing and producing eco-friendly automobiles.

In the last three years, Toyota has strengthened its hybrid line-up by introducing the Prius plug-in and the fully remodelled GS450h in January 2012, the Yaris HV in May 2012, the ES300h in July 2012, the Auris HV in November 2012, the Avalon HV and the fully remodelled Crown HV in December 2012, the fully remodelled IS300h in May 2013, the fully remodelled Corolla Axio HV/Corolla Fielder HV in August 2013, the fully remodelled Harrier HV in December 2013, the fully remodelled Voxy HV/Noah HV in January 2014, the NX300h in July 2014, the RC300h and the Esquire HV in September 2014 and the fully remodelled Alphard and Vellfire in January 2015. In the hybrid vehicles area, where strong growth is anticipated, Toyota aims to continue its efforts to offer a diverse line-up of hybrid vehicles, enhance engine power while improving fuel economy and otherwise work towards increasing sales of hybrid vehicles.

### **Fuel Cell Vehicles**

Toyota began limited sales of a fuel cell vehicle in Japan and the United States in December 2002. In June 2005, Toyota's new fuel cell 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 fuel cell vehicles 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 worked towards the practical use of such solutions, culminating in the general sale of the world's first mass produced fuel cell vehicle MIRAI in Japan beginning in December 2014.

## *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 perform better and offer greater comfort than other compact cars available in the market with low emissions that are particularly attractive to European consumers. In Europe, Toyota introduced the fully remodelled Aygo in June 2014. In Japan, Toyota introduced the remodelled Corolla Axio/Fielder in May 2012, the remodelled Porte and its variant, the Spade, in July 2012 and the remodelled Auris in August 2012. In India, Asia, China and other markets, Toyota introduced the Etios and Vios. In addition, Toyota introduced the AGYA, which is designed and manufactured by Daihatsu.

### *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. Daihatsu sold approximately 629 thousand mini-vehicles and 197 thousand automobiles on a consolidated basis during fiscal 2015. Daihatsu's largest market is Japan, which accounted for approximately 80 per cent. of Daihatsu's unit sales during fiscal 2015. From autumn 2011, Toyota began to sell some mini-vehicles manufactured by Daihatsu under the Toyota brand.

### *Mid-Size*

Toyota's mid-size models include the Camry, which has been the best-selling passenger car in the United States for seventeen of the past eighteen calendar years (from 1997 to present) and also for the last thirteen consecutive years. The Camry was fully remodelled in August 2011. Camry sales in the United States for 2014 were approximately 428 thousand units (including Camry hybrids). In addition, Toyota's other mid-size models include the REIZ for the Chinese market, the Avensis, which was remodelled in November 2008 for the European market, and the Mark X, which was remodelled in October 2009 for the Japanese market.

### *Luxury & Large*

In North America, Europe, Japan and other regions, Toyota's luxury line-up consists primarily of vehicles sold under the Lexus brand name. Lexus passenger car models include the LS, the GS, the ES, the IS, the HS, the CT and the RC. Lexus models also include the LX, the GX, the RX and the NX sold as luxury sport-utility vehicles. Toyota commenced sales of its luxury automobiles in Japan under the Lexus brand in August 2005. As of 31 March 2015, the Lexus brand line-up in Japan includes the LS, the GS, the HS, the IS, the CT, the RX, the NX and the RC. The Toyota brand's full-size luxury car, the Avalon, was remodelled in October 2012 and the Crown was remodelled in December 2012. Toyota also sells the Century limousine in Japan.

### *Sports and Specialty*

In the United States, Toyota sells the Scion tC, a sports car targeted at young drivers. In December 2010, Toyota introduced the LFA model under the Lexus brand as the high-performance sports model, and in April 2012, Toyota introduced the 86 (called Scion FR-S in the United States), a compact sports car with a front-mounted engine and rear-wheel drive. In October 2014, Toyota introduced the RC coupe that leads the image of Lexus, which engages drivers on a sentimental level.

### *Recreational and Sport-Utility Vehicles and Pickup Trucks*

Toyota sells a variety of sport-utility vehicles and pickup trucks. Toyota's 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, the Highlander and the Sequoia are manufactured in the United States. Toyota also offers four types of sport-utility vehicles under the Lexus brand, including the LX, the GX, the RX and the NX. Toyota also manufactures the RX and RAV4 models in Canada. Toyota's pickup truck, the Hilux, has been the best-selling model of all Toyota cars sold in Thailand. In North America, the fully remodelled RAV4 was introduced in December 2012 and the fully remodelled Highlander was introduced in December 2013. In July 2014, Toyota introduced the new NX model under the Lexus brand and, in May 2015, Toyota introduced the fully remodelled Hilux in Thailand.

### *Minivans and Cabwagons*

Toyota offers several basic models for the global minivan market. Its largest minivans in Japan, the Alphard and the Vellfire, were remodelled in January 2015. In addition, the Corolla Verso was remodelled in December 2008 in Europe, and the Wish was remodelled in April 2009, the Noah/Voxy was remodelled in January 2014 and the new model Esquire was introduced in October 2014 in Japan. Toyota's other minivan models include, in Japan, the Estima, the Sienta and the Isis, and, in North America, the Sienna.

### *Trucks and Buses*

Toyota's product line-up includes trucks (including vans) up to a gross vehicle weight of five tons and micro-buses that 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 gross vehicle weight of over eleven tons, medium trucks with a gross vehicle weight of between five and eleven tons, and small trucks with a gross vehicle weight of up to five tons. Hino's bus line up includes medium to large buses used primarily as tour buses and public buses, small buses and micro-buses.

### *Product Development*

New cars introduced in Japan during fiscal 2015 and thereafter include the RC, the NX, the Esquire and the MIRAI. Remodelled cars in Japan during fiscal 2015 and thereafter include the Alphard, the Vellfire and the PIXIS TRUCK. New vehicles developed during fiscal 2015 and thereafter and introduced outside of Japan include the RC and the NX. Remodelled cars outside of Japan during fiscal 2015 and thereafter include the Aygo, the Alphard, the Vellfire and the Hilux.

In addition, the IMV product line-up based on the Innovative International Multi-purpose Vehicle ("IMV") project to optimise global manufacturing and supply systems is a line-up of strategic multipurpose vehicles produced from a single platform to meet market demand. The IMV product line-up includes, as of 31 March 2015, the Hilux, Fortuner and Innova, one or all of which are available in all regions except for Japan.

### *Markets, Sales and Competition*

Toyota's primary markets are Japan, North America, Europe and Asia. 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 which have been extracted without material adjustment from TMC's Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated by reference into this Prospectus.

	Year Ended 31 March									
	2011		2012		2013		2014		2015	
	Units	%	Units	%	Units	%	Units	%	Units	%
Market										
Japan .....	1,913,117	26.2%	2,070,799	28.2%	2,278,796	25.7%	2,365,410	26.0%	2,153,694	24.0%
North America.....	2,031,249	27.8	1,872,423	25.5	2,468,804	27.8	2,529,398	27.7	2,715,173	30.3
Europe .....	795,534	10.9	797,993	10.8	799,085	9.0	844,003	9.3	859,038	9.6
Asia .....	1,255,016	17.2	1,326,829	18.0	1,683,578	19.0	1,608,355	17.6	1,488,922	16.6
Other* .....	1,313,123	17.9	1,283,885	17.5	1,640,401	18.5	1,768,867	19.4	1,755,037	19.5
Total .....	7,308,039	100.0%	7,351,929	100.0%	8,870,664	100.0%	9,116,033	100.0%	8,971,864	100.0%

\* "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 and has been extracted without material adjustment from TMC's Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated by reference into this Prospectus. 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 China.

	(Thousands of Units) Fiscal Year Ended 31 March				
	2011	2012	2013	2014	2015
<b>Japan:</b>					
Total market sales (excluding mini-vehicles) .....	2,975	3,067	3,242	3,433	3,126
Toyota sales (retail basis, excluding mini-vehicles) .....	1,407	1,396	1,570	1,605	1,439
Toyota market share .....	47.3%	45.5%	48.4%	46.7%	46.0%

	(Thousands of Units) Calendar Year Ended 31 December				
	2010	2011	2012	2013	2014
<b>North America:</b>					
Total market sales .....	14,058	15,417	17,153	18,514	19,597
Toyota sales (retail basis) .....	2,008	1,880	2,360	2,520	2,670
Toyota market share .....	14.3%	12.2%	13.8%	13.6%	13.6%
<b>Europe:</b>					
Total market sales .....	18,368	19,074	18,171	18,009	18,397
Toyota sales (retail basis) .....	808	820	838	848	888
Toyota market share .....	4.4%	4.3%	4.6%	4.7%	4.8%
<b>Asia (excluding China):</b>					
Total market sales .....	7,430	7,861	8,986	8,899	8,785
Toyota sales (retail basis) .....	991	1,055	1,487	1,427	1,324
Toyota market share .....	13.3%	13.4%	16.5%	16.0%	15.1%

#### *Japan*

Japan is one of the leading countries with respect to technological advancements and improvements and will continue to demonstrate such strength. Toyota strives to earn customer satisfaction by introducing products distinctive of Japan's manufacturing ability such as value-added products including Lexus models, hybrid vehicles, vehicles with 3-seat rows and mini-vehicles. Toyota's consolidated vehicle sales in Japan in fiscal 2015 were 2,154 thousand units, a decrease of 211 thousand units in comparison with the previous year. Toyota endeavours to secure and maintain its large share of, and position at the top of, the Japanese market. Toyota held a domestic market share (excluding mini-vehicles) on a retail basis of 48.4 per cent. in fiscal 2013, 46.7 per cent. in fiscal 2014 and 46.0 per cent. in fiscal 2015.

Although Toyota's principle is to conduct production in regions where it enjoys true competitiveness, it considers Japan to be the source of its good manufacturing practices. Toyota supports its operations worldwide through measures such as the development of new technologies and products, low-volume vehicles to complement local production, production of global vehicle models which straddle multiple regions and supporting overseas factories. Toyota will also launch the implementation of the new platform and the new unit for the "Toyota New Global Architecture" (a new framework for fundamentally reconsidering work procedures, in order to launch attractive products globally in a timely and efficient manner), with Japan at the core. In Japan, Toyota is implementing flexible production based on market needs, in order to support its large share of domestic sales.

In January 2011, Central Motor Co., Ltd., Toyota's subsidiary, began production at its Tohoku plant, implementing innovative production technology that realises cost reductions. The Tohoku plant produces compact vehicles such as the Yaris sedan and the Corolla Axio. In addition, Kanto Auto Works, Ltd. became a wholly-owned subsidiary of Toyota in January 2012. In July 2012, Toyota integrated Central Motor Co., Ltd., Kanto Auto Works, Ltd. and Toyota Motor Tohoku Corporation and established Toyota Motor East Japan, Inc. as a new company. This integration is intended to enable Toyota Motor East Japan, Inc. to design, develop and produce globally competitive compact cars, manufacture auto parts and support Toyota's overseas operations. Toyota has established three domestic production bases, each of which are in the Tokai, Kyushu and Tohoku regions.



In January 2012, Toyota Auto Body Co., Ltd. became a wholly-owned subsidiary of Toyota. Toyota Auto Body Co., Ltd. is primarily responsible for integrating the planning, development and production of minivans, commercial vehicles and SUVs.

Since Toyota formed an alliance with Fuji Heavy Industries, Ltd. ("*FHI*") in 2005, Toyota and FHI have utilised each other's resources in development and production. In April 2008, in order to create synergy and to further strengthen competitiveness, Toyota, Daihatsu and FHI agreed on the following three points: (1) Toyota and FHI will jointly develop a compact rear-wheel-drive sports car that will be marketed by both Toyota and FHI, (2) Toyota will provide FHI with a compact car on an original equipment manufacturing basis ("*OEM*") and (3) Daihatsu will supply FHI with mini-vehicles and a FHI version of the Daihatsu Coo compact car on an OEM basis. In order to promote a smooth co-operation, FHI transferred 61 million FHI shares owned by FHI to Toyota in July 2008. As a result of this transfer, Toyota owns 16.5 per cent. of FHI issued shares. While Toyota vehicles have been manufactured at FHI's North American production centre, Subaru of Indiana Automotive, Inc., since 2007, Toyota and FHI have decided to cease such production in the autumn of 2016, and the collaboration between Toyota and FHI will shift, going forward, to collaboration focusing on products and technology.

In Japan, there are five major domestic manufacturers, five specialised domestic manufacturers and a growing volume of imports from major United States and European manufacturers. The prolonged economic slump in the Japanese economy and the recent increases in environmental awareness have 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 the fiscal year ended 31 March 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 August 2005, Toyota launched the Lexus brand in Japan and achieved a record top market share of 25.6 per cent. in the luxury market in 2011. 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*

The North American region is one of Toyota's most significant markets. While the automotive market struggled in the aftermath of the financial crisis beginning in 2008, Toyota has since reorganised its production structure and made improvements to its product line-up. In addition, Toyota is actively working to promote increased local operations independence in North America, in accordance with the Toyota Global Vision, announced in 2011.

In the North American region, of which the United States is the centre, Toyota has a wide product line-up (excluding large trucks and buses), and sold 2,715 thousand vehicles on a consolidated basis in fiscal 2015. This represents approximately 30 per cent. of Toyota's total unit sales on a consolidated basis. The United States, in particular, is the largest market in the North American region, accounting for 89 per cent. of the retail sales of Toyota in such region. Sales figures for fiscal 2015 were 107.3 per cent. of those in the previous fiscal year.

Toyota commenced sales of the first-generation Prius hybrid model in North America in 2000. The Prius became Toyota's best-selling model behind the Corolla and Camry, having gained particular support among customers concerned with the environment. Toyota introduced the first hybrid model under the Lexus brand, the RX400h and the Highlander hybrid in 2005. Further, Toyota continued expanding its hybrid models with the introduction of models such as the HS250h in 2009, the CT200h in 2009 and the Prius V in 2011, the Prius C, the ESh and the Avalon HV in 2012 and the NXh in 2014.

Since the introduction of the LS and ES models under the premium brand model Lexus, in the United States in 1989, Toyota has expanded its Lexus sales with models including the GS, IS and RX. In 2012, Toyota introduced the all-new GS and ES models and unit sales reached 244 thousand units. Toyota aims to steadily increase sales every year and achieved sales of 274 thousand units through the introduction of the new IS model in 2013 and 311 thousand units through the introduction of the new NX and RC models in 2014.

Toyota is continuing to revise its vehicle models and North American production capacities in response to changes in market conditions. Starting 2011, Toyota, instead of importing from Japan, began production of the Corolla at its Mississippi plant. In 2013, the production capacity at the Woodstock plant in Canada increased from 150 to 200 thousand units per year, and the production capacity at the Indiana plant also increased. Toyota commenced production of the RX450h hybrid model at its Cambridge plant in Canada in 2014. Through the business alliance with Mazda Motor Corporation, the production of Toyota brand light vehicles for sale mainly in North America began at Mazda's plant in Mexico in July 2015. In addition, Toyota plans to commence production of the Lexus ES350 at its Kentucky plant for sale in the North America market starting in the autumn of 2015.

In terms of auto parts, Toyota increased production capacity of engine plants in Kentucky and Alabama in 2013 and 2014, respectively, to meet rising demand, and also increased production capacity of auto parts at its automatic transmission plant in West Virginia in 2014.

In order to further strengthen competitiveness in North America, Toyota will continue the realignment of North American manufacturing operations going forward. As part of this effort, a new plant will be built in Mexico in 2019 and production of the Corolla will be shifted from the plant in Canada to the new plant in Mexico. Compact cars will also be produced at the new plant as well as at the plant in Mississippi. Toyota will consider focusing its production of mid-sized vehicles in the plant in Canada, along with the plants in Indiana and Kentucky, by commencing production of mid-sized vehicles instead of the Corolla in Canada starting in 2019.

As for Toyota's vehicle development in North America, the Toyota Technical Centre spearheads the design, planning, and evaluation of vehicles and parts as to their ability to meet customer needs. Toyota will continue to promote self-reliance towards producing even better cars in the future.

In April 2014, Toyota decided to relocate its North American headquarters for manufacturing, sales and marketing, financial services and other functions to the city of Plano in northern Dallas, Texas. By unifying its North American operations, Toyota plans to promote collaboration and efficiencies across functions, position itself to deliver "ever better cars" to customers and work towards realising sustainable growth in the North America market. The relocation is expected to take place following the completion of the construction of the new headquarters in late 2016 or early 2017.

### *Europe*

Toyota's principal European markets are Germany, France, the United Kingdom, Italy, Spain and Russia. Toyota's principal competitors in Europe are Volkswagen, Renault, Ford, Opel and Peugeot, as well as Korean manufacturers Hyundai and Kia.

While competition continues to intensify, Toyota has expanded its line-up of hybrid models to further strengthen its sales operations and has entered into supply agreements with BMW and PSA for diesel engines and light commercial vehicles, respectively. As a result, Toyota launched the BMW engine-equipped Verso in early 2014 and plans to expand to other models in the future. Toyota also began sales of light commercial vehicles supplied by PSA from mid-2013. In addition, Toyota is actively promoting production and sales measures that meet local demand by strengthening its value chain including used car dealerships, after-sales services and finance and insurance services.

In 2014, while the market recovered steadily in the eurozone, the market in Eastern European countries, mainly in Russia, slowed down due to factors such as the situation in Ukraine and decline in crude oil prices.

Sales in 2014 in Europe exceeded the previous year's figures due to increased sales in major markets resulting from the introduction of new models and increased sales of hybrid models. Going forward, Toyota will strive to maintain sales with the expansion of its product line-up while being responsive to market risks. Toyota's consolidated vehicle sales in Europe in fiscal 2015 were 859 thousand units, an increase of 1.8 per cent. from fiscal 2014.

Toyota has in the past increased European production in response to sales growth, establishing Toyota Motor Manufacturing (UK) Ltd. ("TMUK") in 1992, Toyota Motor Manufacturing Turkey Inc. ("TMMT") in 1994 and Toyota Motor Manufacturing France S.A.S. ("TMMF") in 2001. Further, in 2005, Toyota Peugeot Citroën Automobile Czech was formed as a result of a joint venture with PSA Peugeot Citroën as vehicle supply factories to Europe. At the time of the economic crisis in Europe, Toyota promptly reduced personnel and made adjustments to its plant operations. In addition, in 2010,

TMUK limited its production to one production line at its Burnaston plant. At the same time, Toyota conducted measures such as the changing from a two-shift to a one-shift production operation at TMMT and the change from a three-shift to a two-shift production operation at Toyota Motor Manufacturing Poland SP.ż.o.o. To increase the utilisation rate of these factories, Toyota began to transfer the production of the Corolla from South Africa to TMMT and commenced exporting the TMMF Yaris to North America in 2013.

Toyota opened the Toyota Motor Manufacturing Russia (“TMMR”) plant in 2007 as a base for its manufacturing operations in the Russian market, where future growth is expected. A two-shift production operation started in September 2012 and production capacity was increased from 20,000 units to 50,000 units per year. In addition, Toyota decided in September 2013 to manufacture a second model, namely the RAV4. Moreover, OOO “Toyota Motor” (sales) and TMMR were merged into one company at the end of 2013 to strengthen the business base and promote coordination of manufacturing and sales operations. In addition, Toyota commenced contract assembly of SUVs by Sollers Bussan in Vladivostok in February 2013. Toyota commenced complete knock down production of SUVs in Kazakhstan in June 2014.

### *Asia*

Toyota’s principal Asian markets, in addition to Japan and China, are Thailand, Indonesia, India, Malaysia and Taiwan.

Toyota’s consolidated vehicle sales in Asia (including China) in fiscal 2015 were 1,489 thousand units, a decrease of 7.4 per cent. from fiscal 2014.

In light of the importance of the Asian market where further growth is expected in the long term, Toyota aims to build an operational framework that is efficient and self-reliant as well as a predominant position in the automotive market in Asia. Toyota has responded to increasing competition in Asia by making strategic investments in the market and developing relationships with local suppliers. Toyota believes that its existing local presence in the market provides it with an advantage over new entrants to the market and expects to be able to promptly respond to demand for vehicles in the region.

In this region, Toyota has been further strengthening its business foundations by improving its product line-up, expanding local procurement and increasing production capacities.

As an example of enhancing the product line-up, Toyota began producing IMVs (the Hilux, Fortuner and Innova) in Thailand, Indonesia, India, the Philippines and Malaysia in 2005 and in Vietnam in 2006. Furthermore, with increased production capacity, the Thailand plant now produces IMVs for export outside of Asia, including to Australia and to the Middle East, contributing greatly to the expansion of Toyota’s automotive business.

As part of Toyota’s efforts to expand business, Toyota Motor Thailand Co., Ltd., commenced production of the Camry hybrid in 2009 and Prius in 2011. Toyota also started operation of its second Gateway plant in 2013, expanding production capacity by 80 thousand units in Thailand to 810 thousand units. In April 2015, Toyota implemented a full model change for IMV models manufactured at its plant in Thailand.

In India, Toyota constructed a second plant with an annual production capacity of 70 thousand units and commenced production and sales of the Etios compact model designed specifically for the Indian market in 2010. Furthermore, Toyota increased production capacity in India during 2012 and 2013 to 210 thousand units. Moreover, Toyota began exporting the gasoline-fuelled model of the Etios to South Africa from India in 2012.

In Indonesia, Toyota introduced the Etios and commenced operation of a second plant in Karawang in 2013 in order to meet the diverse customer needs and the expanding market. In 2014, Toyota increased the initial production capacity of 70 thousand units per year to 120 thousand units per year with the introduction of the Vios and the Yaris, and also began exporting the Vios to the Middle East. Toyota also began construction of a passenger vehicle engine plant to commence production at the beginning of 2016. In Malaysia, Toyota began production of the Camry hybrid in March 2015. In addition, in 2012 Toyota began production and sales of the Camry hybrid in Taiwan to accommodate the spread of environmentally-friendly vehicles. Moreover, in light of the free trade agreement

between the United States and Korea, Toyota began sales of the United States-produced Camry in Korea in January 2012.

#### *China*

Toyota has been conducting its operations in China through joint ventures, and its success in producing products that meet local demands and in establishing its sales and service network has significantly contributed to Toyota's profits. Based on the firm business foundation that it has established, Toyota is conducting its operations with the aim of promoting further growth and increasing profitability through further development of its sales and service network and expansion of its product line-up.

In China, Toyota has been conducting joint ventures with two major partners. First, with respect to the joint venture with China FAW Group Corporation since Toyota first launched the Vios through the joint venture in 2002, Toyota has been producing and selling the Land Cruiser Prado, the Land Cruiser, the Corolla, the Crown, the REIZ, the Coaster, the RAV4 and the Prius in China. With regard to production capacity, in 2007, Toyota commenced production at the new Tianjin Teda plant, which has an annual production capacity of 200 thousand units, and in 2012, commenced production at a new factory in Changchun, China, which has an annual production capacity of 100 thousand units. Toyota also increased annual production capacity of the plant in Sichuan from 30 thousand units to 50 thousand units in March 2015 to increase production of the Prado.

GAC Toyota Motor Co., Ltd., a joint venture between Toyota and Guangzhou Automobile Group Co., Ltd., commenced sales of the Camry in 2006, followed by production and sales of the Yaris, the Highlander, the E'z and the Levin. In 2006, it commenced production at the first plant on a single shift basis with an annual production capacity of 100 thousand units and expanded its annual production capacity to 200 thousand units on a double shift basis. In addition, a second plant commenced production in 2009 and Toyota plans to complete construction of a third plant in 2017. In terms of auto parts, in 2014, Toyota opened a plant in Changshu in Jiangsu, China for the production of the CVT as the first CVT plant outside of Japan. Toyota also plans to open a plant to produce hybrid vehicle batteries in October 2015.

Total vehicle sales in the Chinese market increased 8 per cent. from 22.19 million in 2013 to 24.00 million in 2014. In this market, Toyota's sales in 2014 were 1.03 million vehicles, up 13 per cent. from the previous year. In the passenger vehicle market (17.80 million units), Toyota had a market share of 6 per cent. In 2014, favourable conditions in the less-than-1.6 litre market continued, and the SUV market expanded as a result of customers' value diversification. As for Toyota's distribution network, Toyota has been expanding the distribution network for locally produced vehicles in co-operation with Chinese joint venture partners under Tianjin FAW Toyota Motor Co., Ltd. and Guanqi Toyota Motor Co., Ltd. and, for imported vehicles, Toyota has also been expanding primarily the Lexus brand sales network. Toyota plans to further increase sales by expanding the number of dealers and the product line-up for both locally produced and imported vehicles, particularly inland. In addition, as the market in China develops, Toyota plans to promote the so-called "Value Chain" businesses such as used cars, services, financing and insurance.

#### *South and Central America, Oceania, Africa and the Middle East*

Toyota's principal markets in South and Central America, Oceania, Africa and the Middle East (collectively, the "*Four Regions*") are Brazil in South and Central America, Australia in Oceania, South Africa in Africa and Saudi Arabia in the Middle East.

Toyota's consolidated vehicle sales in the Four Regions in fiscal 2015 remained around the same at 1,755 thousand units, a decrease of 0.8 per cent. from fiscal 2014. The core models in this region are global models such as the Corolla, IMV (the Hilux) and Camry. In order to increase production of IMVs, Toyota expanded the annual production capacity of its Argentina factory from 70 thousand units to 90 thousand units in 2011. Toyota is seeking to further increase its annual production capacity to 140 thousand units per year during 2015 and 2016. In order to expand business in Brazil, Toyota constructed a new factory in Sorocaba with an annual production capacity of 70 thousand units, and in 2012, began production and sales of the compact vehicles. Starting from 2016, Toyota plans to increase production capacity to 110 thousand units per year. Further, Toyota began local production of the Fortuner in Egypt in 2012. Moreover, in terms of auto parts, Toyota plans to commence production at a plant in Brazil for passenger vehicle engines in 2016.

Toyota decided to end production of vehicles and engines at Toyota Motor Corporation Australia Limited by the end of 2017.

In these regions, which are expected to become increasingly important to Toyota's business strategy, Toyota aims to develop new products which meet the specific demands of each region, increase production and further promote sales.

### ***Financial Services***

Toyota's financial services include loan programmes and leasing programmes for customers and dealers. Toyota believes that its ability to provide financing to its customers is an important value-added service. In July 2000, Toyota established a wholly-owned subsidiary, Toyota Financial Services Corporation, to oversee the management of Toyota's finance companies worldwide, through which Toyota aims to strengthen the overall competitiveness of its financial business, improve risk management and streamline decision-making processes. Toyota has expanded its network of financial services, in accordance with its strategy of developing auto-related financing businesses in significant markets. Accordingly, Toyota currently operates financial services companies in 35 countries and regions, which support its automotive operations globally.

Toyota's revenues from its financial services operations were ¥1,661.1 billion in fiscal 2015, ¥1,421.0 billion in fiscal 2014 and ¥1,170.6 billion in fiscal 2013. In fiscal 2014, amid a gradual recovery in markets including the United States, Europe and Japan, Toyota collaborated with dealers in various countries and regions, and the balance of loan receivables increased steadily. In fiscal 2015, with recovery in markets particularly in the United States and as a result of the continued collaboration with dealers in various countries and regions and efforts to expand products and services that meet customer needs, Toyota's share of financing provided for new car sales of Toyota and Lexus vehicles in regions where TFS operates remained at a high level of 36 per cent. and the balance of loan receivables, mainly in the United States and Thailand, continued to increase steadily. Meanwhile, Toyota is making efforts to provide both its customers and dealers with stable financial services, by diversifying its funding mechanisms with ABCP (Asset Backed Commercial Paper) and ABS (Asset Backed Securities), in addition to mid- to long-term financings, primarily in commercial paper issuances, corporate bonds and bank borrowings. Toyota continued to perform detailed credit appraisals and serve customers by monitoring bad debt and loan payment extensions, and the percentage of credit losses remained low at 0.31 per cent. and 0.28 per cent. in fiscal years 2015 and 2014, respectively. Toyota continues to work towards improving its risk management measures in connection with credit and residual value risks.

Toyota Motor Credit Corporation is Toyota's principal financial services subsidiary in the United States. Toyota also provides financial services in 34 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;
- Toyota Financial Services (UK) PLC in the United Kingdom;
- Toyota Leasing (Thailand) Co., Ltd. in Thailand; and
- Toyota Motor Finance (China) Company Limited in China.

The following table provides information for Toyota's finance receivables and operating leases as of 31 March, 2014 and 2015 and has been extracted without material adjustment from TMC's Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated into this Prospectus by reference:

	Yen in millions	
	31 March	
	2014	2015
<b>Finance Receivables</b>		
Retail.....	¥ 10,523,364	¥ 12,015,844
Finance leases.....	1,071,179	1,158,361
Wholesale and other dealer loans .....	2,875,650	3,124,079
	14,470,193	16,298,284
Deferred origination costs .....	161,956	179,905
Unearned income.....	(754,539)	(837,124)
Allowance for credit losses		
Retail.....	(89,439)	(109,316)
Finance leases.....	(30,585)	(29,303)
Wholesale and other dealer loans .....	(26,358)	(30,053)
	(146,382)	(168,672)
Total finance receivables, net	13,731,228	15,472,393
Less - Current portion .....	(5,628,934)	(6,269,862)
Noncurrent finance receivables, net.....	¥ 8,102,294	¥ 9,202,531
<b>Operating leases</b>		
Vehicles .....	¥ 3,674,969	¥ 5,169,524
Equipment.....	129,029	163,195
Less – Deferred income and other .....	(94,438)	(132,733)
	3,709,560	5,199,986
Less – Accumulated depreciation .....	(808,764)	(1,080,936)
Less – Allowance for credit losses .....	(7,220)	(9,366)
Vehicles and equipment on operating leases, net .....	¥ 2,893,576	¥ 4,109,684

### ***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 ¥1,255.7 billion in fiscal 2015, ¥1,151.2 billion in fiscal 2014 and ¥1,066.4 billion in fiscal 2013. Sales to external customers of all other operations in fiscal 2015 represented 2.2 per cent. of Toyota's net revenues for fiscal 2015. 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 members of TMC's Audit and Supervisory Board:

Name	Position
Takeshi Uchiyamada	Chairman of the Board
Akio Toyoda	President, Member of the Board
Nobuyori Kodaira	Executive Vice President, Member of the Board
Mitsuhsa Kato	Executive Vice President, Member of the Board
Seiichi Sudo	Executive Vice President, Member of the Board
Takahiko Ijichi	Executive Vice President, Member of the Board
Didier Leroy	Executive Vice President, Member of the Board
Shigeki Terashi	Executive Vice President, Member of the Board

Name	Position
Shigeru Hayakawa	Director, Member of the Board
Ikuo Uno	Director, Member of the Board
Haruhiko Kato	Director, Member of the Board
Mark T. Hogan	Director, Member of the Board
Masaki Nakatsugawa	Full time Audit and Supervisory Board Member
Masahiro Kato	Full time Audit and Supervisory Board Member
Yoshiyuki Kagawa	Full time Audit and Supervisory Board Member
Yoko Wake	Outside Audit and Supervisory Board Member
Teisuke Kitayama	Outside Audit and Supervisory Board Member
Hiroshi Ozu	Outside Audit and Supervisory Board Member

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 92 of TMC's Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated by reference to this Prospectus for further details on TMC's 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 maintains an audit and supervisory board system, in accordance with the Companies Act of Japan. Toyota's audit and supervisory board is comprised of six audit and supervisory board members, three of whom are independent audit and supervisory board members. The audit and supervisory board members have a duty to examine the financial statements and business reports which are submitted by the Board of Directors to TMC's general shareholders' meeting. The audit and supervisory board members also monitor the administration of TMC's affairs by the Board of Directors of TMC.

### **Corporate Governance**

TMC is in compliance with the applicable corporate governance statutes and regulations in Japan.

### **Share Capital**

As of 31 March 2015, TMC's authorised share capital was 10,000,000,000 common stock shares of no par value, of which 3,417,997,492 shares had been issued and are fully paid up.

TMC's articles of incorporation were amended at the 111th Ordinary General Shareholders' Meeting held in June 2015 and TMC's authorised number of shares was changed to 10,000,000,000 shares, with the total number of authorised shares for each class of 10,000,000,000 for common shares, 50,000,000 for First Series Model AA Class Shares, 50,000,000 for Second Series Model AA Class Shares, 50,000,000 for Third Series Model AA Class Shares, 50,000,000 for Fourth Series Model AA Class Shares and 50,000,000 for Fifth Series Model AA Class Shares, and the total number of shares authorised to be issued with respect to First Series Model AA Class Shares through the Fifth Series Model AA Class Shares not to exceed 150,000,000 shares. The First Series Model AA Class Shares were issued on 24 July 2015.

### **Legal Proceedings**

#### *Product Recalls*

From time-to-time, Toyota issues vehicle recalls and takes other safety measures including safety campaigns relating to its vehicles. In 2009 and 2010, Toyota issued safety campaigns related to the risk of floor mat entrapment of accelerator pedals and vehicle recalls related to slow-to-return or sticky accelerator pedals. Following some of these recalls and other safety measures, a large number of putative class actions and individual lawsuits were brought against Toyota, alleging that certain Toyota, Lexus and Scion vehicles contained defects that led to unintended acceleration. The class actions and

individual lawsuits related to economic loss were resolved by a settlement which was approved by the United States District Court for the Central District of California in July 2013, and the settlement of those claims is final.

There were also several government investigations related to unintended acceleration. The last of these to be resolved was the investigation initiated by the United States Attorney for the Southern District of New York in February 2010. In March 2014, Toyota announced that it entered into a deferred prosecution agreement (“DPA”) with the United States Attorney’s Office to resolve its investigation. The DPA provided for a \$1.2 billion payment to the United States government, and Toyota recorded a \$1.2 billion charge against earnings in fiscal 2014. Pursuant to the DPA, an independent monitor was appointed to review and assess policies and procedures relating to Toyota’s safety communications process, its process for sharing vehicle accident information internally and its process for preparing and sharing certain technical reports.

In 2010, there was a recall related to the software programme that controls the antilock braking system in certain models including the Prius, which led to putative class action lawsuits on behalf of owners of recalled vehicles and owners of vehicles which were not recalled. These cases were consolidated into two actions, one in the United States District Court for the Central District of California and one in the Los Angeles County Superior Court. In January 2013, the United States District Court for the Central District of California denied the plaintiff’s motion for class certification and granted summary judgment in Toyota’s favour resolving the claims related to the recalled vehicles, and in July 2013, the United States District Court for the Central District of California denied the plaintiff’s motion for class certification and granted summary judgment in Toyota’s favour regarding the claims related to the non-recalled vehicles. Proceedings involving the recalled vehicles in both courts have concluded. The ruling of the United States District Court for the Central District of California related to the non-recalled vehicles has been appealed.

Product liability personal injury claims related to the floor mat entrapment of accelerator pedals and slow-to-return or sticky accelerator pedal cases are pending in several consolidated cases in federal and state courts, as well as in individual cases in various other states. The judges in the consolidated federal action and the consolidated California state action have approved an Intensive Settlement Process (“ISP”) for such claims in those actions. Under the ISP, all individual claims within the consolidated actions are stayed pending completion of a process to assess whether they can be resolved on terms acceptable to the parties. Cases not resolved after completion of the ISP will then proceed to discovery and toward trial. Toyota has offered the ISP process to plaintiffs in other consolidated actions and in individual cases, as well.

Toyota has been named as a defendant in 27 economic loss class action lawsuits, which have been consolidated for pretrial purposes in the United States District Court for the Southern District of Florida, arising out of allegations that Takata airbags installed in Toyota vehicles are defective. These lawsuits are at a very early stage.

Toyota also has various other legal actions, other governmental proceedings and other claims pending against it, including other product liability claims in the United States.

Beyond the amounts accrued with respect to all aforementioned matters, Toyota is unable to estimate a range of reasonably possible loss, if any, for the pending legal matters because (i) many of the proceedings are in evidence gathering stages, (ii) significant factual issues need to be resolved, (iii) the legal theory or nature of the claims is unclear, (iv) the outcome of future motions or appeals is unknown and/or (v) the outcomes of other matters of these types vary widely and do not appear sufficiently similar to offer meaningful guidance.

Based upon information currently available to Toyota, however, Toyota believes that its losses from these matters, if any, beyond the amounts accrued, would not have a material adverse effect on Toyota’s financial position, results of operations or its cash flows.



## SELECTED FINANCIAL INFORMATION OF TMC

The following selected financial data has been extracted without material adjustment from the audited financial statements prepared in accordance with U.S. GAAP of the Parent contained in TMC's Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated by reference into this Prospectus.

	Year Ended 31 March	
	2015	2014
	(in millions, except share and per share data)	
<b>Consolidated Statement of Income Data:</b>		
Automotive:		
Revenues .....	¥25,062,129	¥ 23,781,404
Operating income.....	2,325,310	1,938,778
Financial Services:		
Revenues .....	1,661,149	1,421,047
Operating income.....	361,833	294,891
All Other:		
Revenues .....	1,255,791	1,151,280
Operating income.....	65,650	64,270
Elimination of intersegment:		
Revenues .....	(744,548)	(661,820)
Operating income.....	(2,229)	(5,827)
Total Company:		
Revenues .....	27,234,521	25,691,911
Operating income.....	2,750,564	2,292,112
Income before income taxes and equity in earnings of affiliated companies.....	2,892,828	2,441,080
Net income attributable to TMC.....	2,173,338	1,823,119
Net income attributable to TMC per share:		
Basic.....	688.02	575.30
Diluted.....	687.66	574.92
Shares used in computing net income attributable to TMC per share, basic (in thousands).....	3,158,851	3,168,989
Shares used in computing net income attributable to TMC per share, diluted (in thousands).....	3,160,429	3,170,911

The following selected financial data has been extracted without material adjustment from the audited financial statements prepared in accordance with U.S. GAAP of the Parent contained in TMC's Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated by reference into this Prospectus.

	As at 31 March	
	2015	2014
	(in millions)	
<b>Consolidated Balance Sheet Data (end of period):</b>		
Total Assets: .....	¥47,729,830	¥ 41,437,473
Short-term debt, including current portion of long-term debt .....	8,963,492	7,780,483
Long-term debt, less current portion.....	10,014,395	8,546,910
TMC shareholders' equity .....	16,788,131	14,469,148
Common Stock.....	397,050	397,050

The following selected financial data has been extracted without material adjustment from the unaudited financial statements prepared in accordance with U.S. GAAP contained in TMC's Unaudited Consolidated Financial Statements for the three month period ended 30 June 2015 which are incorporated by reference into this Prospectus.

	Three Months Ended 30 June	
	2015	2014
	(in millions, except per share data)	
<b>Quarterly Consolidated Statement of Income Data:</b>		
Total Company:		
Total net revenues .....	¥6,987,648	¥ 6,390,688
Operating income.....	756,001	692,728
Quarterly income before income taxes and equity in earnings of affiliated companies.....	845,259	771,826
Quarterly net income attributable to TMC.....	646,394	587,774
Quarterly net income attributable to TMC per share:		
Basic.....	205.41	185.43
Diluted.....	205.30	185.34
	As at 30 June 2015	As at 31 March 2015
	(in millions)	
<b>Quarterly Consolidated Balance Sheet Data (end of period):</b>		
Total Assets.....	¥48,821,479	¥47,729,830
Short-term debt, including current portion of long-term debt .....	9,411,894	8,963,492
Long-term debt, less current portion.....	10,255,231	10,014,395
Total TMC shareholders' equity.....	17,205,009	16,788,131
Common Stock.....	397,050	397,050

#### **Historical Consolidated Financial Information of the Parent**

Audited historical financial information of the Parent and its subsidiaries prepared in accordance with U.S. GAAP for the financial years ended 31 March, 2014 and 2015, 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-2 of the Parent's Annual Report on Form 20-F for the year ended 31 March 2015, which is incorporated by reference into this Prospectus. Unaudited consolidated historical financial information of the Parent and its subsidiaries as at 30 June 2015 and for the three months ended 30 June 2015 and 30 June 2014 is contained in TMC's Unaudited Consolidated Financial Statements for the three month period ended 30 June 2015 which are 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.

### ***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, Bonaire, Saint Eustatius or Saba;
- (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, Bonaire, Saint Eustatius or Saba, 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), whether directly and/or indirectly as (deemed) settlor, grantor or similar originator (the "*Settlor*"), or upon the death of the Settlor, his/her beneficiaries (the "*Beneficiaries*") in proportion to their entitlement to the estate of the Settlor of a trust, foundation or similar arrangement (the "*Separated Private Assets*"), (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 neither resident nor deemed to be resident in the Netherlands for Netherlands gift, estate or inheritance tax purposes, unless 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.

For gift, estate and inheritance tax purposes, (i) a gift by a third party such as a trustee, foundation or similar entity or arrangement, will be construed as a gift by the Settlor, and (ii) upon the death of the Settlor, as a rule, his/her Beneficiaries, will be deemed to have inherited directly from the Settlor. Subsequently, the Beneficiaries will be deemed the Settlor of the Separated Private Assets for purposes of the Netherlands gift, estate and inheritance tax in case of subsequent gifts or inheritances.

#### ***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 at the date hereof to a holder who acquires beneficial ownership of Notes issued by TCCI under the Programme ("*TCCI Notes*") and who, for the purposes of the Income Tax Act (Canada) ("*Act*"), and at all relevant times: (a) is not, and is not deemed to be, resident in Canada; (b) deals at arm's length with TCCI and any transferee resident (or deemed to be resident) in Canada to whom such holder disposes of TCCI Notes; (c) is entitled to receive all payments (including any interest and principal) made on the TCCI Notes; (d) is not, and deals at arm's length with each person who is, a "*specified shareholder*" of TCCI for the purposes of the thin capitalisation rules in the Act; and (e) does not use or hold and is not deemed to use or hold the TCCI Notes in, or in the course of,

carrying on a business in Canada (“*Non-resident Holder*”). Special rules which apply to non-resident insurers carrying on business in Canada and elsewhere are not discussed in this summary.

**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: (a) the provisions of the Act in force on the date hereof, the regulations thereunder (“*Regulations*”); (b) 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 (“*Tax Proposals*”), and (c) the current published administrative practices and assessing policies of the Canada Revenue Agency. This summary assumes that the Tax Proposals will be enacted in their current form but no assurance can be given that this will be the case. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law or in the administrative or assessing practices of the Canada Revenue Agency, 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 Canadian federal income 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 “participating debt interest” for the purposes of the Act. In general terms, interest will not be participating debt interest for the purposes of the Act provided that no portion of such interest 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 or series of shares of the capital stock of a corporation.

In the event that a TCCI Note is redeemed, cancelled, repurchased or purchased by TCCI or any other person resident or deemed to be resident in 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 excess may, in certain circumstances, be deemed to be interest and may, together with any interest that has accrued or is deemed to have accrued on the TCCI Note to that time, be subject to Canadian non-resident withholding tax if all or any part of such interest is participating debt interest. Notwithstanding the previous sentence, such excess will generally not be subject to Canadian non-resident withholding tax if the TCCI Note was issued for an amount not less than 97 per cent. of its principal amount (as defined in the Act), and the yield from which, expressed in terms of an annual rate (determined in accordance with the Act) on the amount for which the TCCI Note was issued does not exceed four-thirds of the interest stipulated to be payable on the TCCI Note, expressed in terms of an annual rate on the outstanding principal amount from time to time.

If applicable, the normal rate of Canadian non-resident withholding tax is 25 per cent. but such rate may be reduced under the terms of an applicable income tax treaty.

Generally, there are no other Canadian federal income taxes (including taxes on capital gains) that would be payable by a Non-resident Holder as a result of acquiring, holding or disposing of a TCCI Note.

## **Australia**

### ***Introduction***

*The following is a summary of the Australian withholding tax treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, “Australian Tax Act”), the Taxation Administration Act 1953 of Australia and any relevant rulings, judicial decisions or administrative practice, at the date of this Prospectus, of payments of interest (as defined in the Australian Tax Act) on the Notes to be issued by TFA under the Programme and certain other Australian tax matters. In this summary, references to “Notes” are limited to Notes issued by TFA and the summary does not apply to Notes issued by any other Issuers.*

*This summary applies to holders of Notes that are:*

- *residents of Australia for tax purposes that do not acquire their Notes in carrying on a business outside of Australia, and non-residents of Australia for tax purposes that acquire their Notes in carrying on a business at or through a permanent establishment in Australia (“Australian Holders”); and*
- *non-residents of Australia for tax purposes that do not acquire their Notes in carrying on a business at or through a permanent establishment in Australia, and Australian tax residents that acquire their Notes in carrying on a business outside of Australia (“Non-Australian Holders”).*

*The summary is not exhaustive and, in particular, does not deal with the position of certain classes of holders of the Notes (including, without limitation, dealers in securities, custodians or other third parties who hold Notes on behalf of any person). In addition, unless expressly stated, the summary does not consider the Australian tax consequences for persons who hold interests in the Notes through Euroclear, Clearstream, Luxembourg, or another clearing system.*

*Holders of the Notes should also be aware that particular terms of issue of any Series of Notes may affect the tax treatment of that Series of Notes. Information regarding taxes in respect of Notes may also be set out in the applicable Final Terms.*

*This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular holder of the Note. Each holder should seek professional tax advice in relation to their particular circumstances.*

#### **Australian interest withholding tax**

The Australian Tax Act characterises securities as either “*debt interests*” (for all entities) or “*equity interests*” (for companies) including for the purposes of Australian interest withholding tax (“*Australian IWT*”) and dividend withholding tax. TFA intends to issue Notes which are to be characterised as “*debt interests*” for the purposes of the tests contained in Division 974 of the Income Tax Assessment Act 1997 and the returns paid on the Notes are to be “*interest*” for the purpose of section 128F of the Australian Tax Act. 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).

For Australian IWT purposes, “*interest*” is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts.

#### **Australian Holders**

Payments of interest in respect of the Notes to Australian Holders will not be subject to Australian IWT.

#### **Non-Australian Holders**

Australian IWT is payable at a rate of 10 per cent. of the gross amount of interest paid by TFA to a Non-Australian Holder, unless an exemption is available.

##### **(a) Section 128F exemption from Australian IWT**

An exemption from Australian IWT is available in respect of interest paid on the Notes if the requirements of section 128F of the Australian Tax Act are satisfied.

Unless otherwise specified in any applicable Final Terms (or another relevant supplement to this Prospectus), TFA intends to issue the Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

In broad terms, the requirements are as follows:

- (i) TFA is a resident of Australia and a company (as defined in section 128F(9) of the Australian Tax Act) when it issues the Notes and when interest is paid; and
- (ii) the Notes are issued in a manner which satisfies the “*public offer*” test in section 128F of the Australian Tax Act.

In relation to the Notes, 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 the Notes for issue. In summary, the five methods are:

- offers to 10 or more unrelated financiers, securities dealers or entities that carry on the business of investing in securities;
  - offers to 100 or more investors of a certain type;
  - offers of listed Notes;
  - offers via publicly available information sources; or
  - offers to a dealer, manager or underwriter who offers to sell the Notes within 30 days by one of the preceding methods;
- (iii) TFA does not know, or have reasonable grounds to suspect, at the time of issue, that the Notes (or interests in the Notes) were 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 (see below); and
- (iv) 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 (see below).

An “*associate*” of TFA for the purposes of section 128F of the Australian Tax Act includes:

- (A) a person or entity which holds more than 50 per cent. of the voting shares of, or otherwise controls, TFA;
- (B) an entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, TFA;
- (C) a trustee of a trust where TFA is capable of benefiting (whether directly or indirectly) under that trust; and
- (D) a person or entity who is an “*associate*” of another person or entity which is an “*associate*” of TFA under paragraph (iv)(A) above.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (iii) and (iv) above), an “*associate*” of TFA does not include:

- an Australian Holder; or
  - a Non-Australian Holder that is acting in the capacity of:
- (A) 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 (for the purposes of the Australian Corporations Act); or
- (B) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered managed investment scheme (for the purposes of the Australian Corporations Act).

**ACCORDINGLY, NOTES ISSUED BY TFA MUST NOT BE PURCHASED BY OFFSHORE ASSOCIATES OF TFA OTHER THAN THOSE ACTING IN THE PERMITTED CAPACITIES DESCRIBED ABOVE.**

*(b) Exemptions under certain double tax conventions*

The Australian government has signed new or amended double tax conventions (“*New Treaties*”) with a number of countries (each a “*Specified Country*”). The New Treaties apply to interest derived by a resident of a Specified Country.

Broadly, the New Treaties effectively prevent Australian IWT applying to interest derived by:

- governments of the Specified Countries and certain governmental authorities and agencies in a Specified Country; and

- a “*financial institution*” resident in a Specified Country which is unrelated to and dealing wholly independently with TFA. The term “*financial institution*” refers to either a bank or any other enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid 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. This listing is available to the public on the Federal Treasury’s Department website.

(c) *Notes in bearer form*

Section 126 of the Australian Tax Act imposes a type of withholding tax (see below for the rate of withholding tax) on the payment of interest on debentures (such as the Notes) in bearer form if the issuer fails to disclose the names and addresses of the holders of the debentures 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 of Australia who do not carry on business at or through a permanent establishment in Australia where the issue of those Notes has satisfied the requirements of section 128F or Australian IWT is payable.

In addition, the ATO has confirmed that for the purpose of section 126, the holder of debentures in bearer form is 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 of Australia who are engaged in carrying on business at or through a permanent establishment in Australia. Where interests in Notes in bearer form are held through Euroclear, Clearstream, Luxembourg or another clearing system, TFA intends to treat the relevant operator of the clearing system (or its nominee) as the bearer of the Notes for the purposes of section 126.

The rate of withholding tax is 47 per cent. for the 2014-15, 2015-16, 2016-17 income years and, under current law, will be reduced to 45 per cent. following the 2016-17 income year.

(d) *Payment of additional amounts*

As set out in more detail in Condition 7 under “*Terms and Conditions of the Notes*”, and unless otherwise specified in the applicable Final Terms or another relevant supplement to this Prospectus, if TFA is at any time required by law to withhold or deduct an amount in respect of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia or any territory or other political subdivision or any authority thereof or therein having the power to tax in respect of the Notes, TFA must, subject to certain exceptions, pay such additional amounts as shall be necessary in order to ensure that the net amounts receivable by the holders of the Notes or Coupons after such deduction or withholding are equal to the respective amounts of principal and interest which would have been received had no such deduction or withholding been required. If TFA is required, by change in law, to pay an additional amount in respect of the Notes, TFA will have the option to redeem those Notes in accordance with Condition 6(b) under “*Terms and Conditions of the Notes*”.

***Other tax matters***

Under Australian laws as presently in effect:

- *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;
- *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;
- *additional withholdings from certain payments to non-residents* - the Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current Australian IWT rules or specifically exempt from those rules). 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 possible



application of any future regulations to the proceeds of any sale of the Notes will need to be monitored;

- *garnishee directions by the Commissioner of Taxation* – the Commissioner may give a direction requiring TFA to deduct from any payment to a holder of the Notes any amount in respect of Australian tax payable by the holder. If TFA is served with such a direction, then TFA will comply with that direction and make any deduction required by that direction;
- *supply withholding tax* - payments in respect of the Notes can be made free and clear of any “supply withholding tax”; and
- *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.

## 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 treated as debt 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 Floating Rate Notes other than Floating Rate Notes whose rate is based on a conventional interest rate or composite of interest rates.

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 or other entity treated as a corporation 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, (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.

If a partnership or other entity treated as a partnership for U.S. tax purposes holds Notes, the tax consequences to a partner will generally depend on the status of the partner and the activities of the partnership. A holder of Notes that is a partnership, and the partners in such partnership, should consult their own tax advisers about the U.S. federal income tax consequences to them of owning and disposing of the Notes.

### *U.S. Taxation of the Notes*

Except as described below, 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 (taking into consideration unilateral rights to roll or extend), 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) interest paid on the Note is not effectively connected with the Non-U.S. Holder’s conduct of a trade or business within the United States;
- (ii) 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;

- (iii) 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;
- (iv) 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;
- (v) 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; and
- (vi) on or before the first payment of interest or principal, the Non-U.S. Holder has provided the Paying Agents with a valid and properly executed U.S. Internal Revenue Service Form W-8 (or successor or substitute therefor) or other appropriate form of certification of non-U.S. status sufficient to establish a basis for exemption under Sections 871(h)(2)(B) and 881(c)(2)(B) of the Code.

Where the requirements described above are satisfied and except as described in the following paragraph, 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) and a Non-U.S. Holder of a Registered Note issued by TMCC will be required to provide certification of non-U.S. status sufficient to establish a basis for exemption under Sections 871(h)(2)(B) and 881(c)(2)(B) of the Code.

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 either (x) the Note has a maturity of 183 days or less (taking into consideration unilateral rights to roll or extend) or (y) 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 or W-8BEN-E 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. In addition, proceeds of the sale, retirement or other disposition of and payments of principal, premium, if any, and interest (including OID, if any) on Notes may be subject to a 30 per cent. gross basis withholding tax in the case of interest, and after 31 December 2016 in the case of all other amounts, that are paid to a “foreign financial institution” or a “foreign non-financial entity” within the meaning of Sections 1471 through 1474 of the Code and regulations and other guidance promulgated thereunder (collectively “FATCA”), unless certain procedural requirements are satisfied and certain information is provided to the U.S. Internal Revenue Service or such Non-U.S. Holder complies with certain requirements under laws, regulations or other guidance implementing an intergovernmental agreement between the United States and such Non-U.S. Holder’s home jurisdiction, and certain information is provided to the tax authorities in the Non-U.S. Holder’s home jurisdiction. Payments with respect to Notes issued by TMF, TFA or TCCI generally should not be subject to FATCA withholding. Nevertheless, if any of TMF, TFA or TCCI were to be treated as a foreign financial institution, it is possible that payments made by any such entity after 31 December 2016 on Notes issued after the date that is six months after final regulations are published that define “foreign passthru payments” for purposes of FATCA would be subject to FATCA withholding in respect of the portion of any such payments as are considered to be “foreign passthru payments” under FATCA. Under certain circumstances, a Non-U.S. Holder of the Notes might be eligible for refunds or credits of such taxes. Prospective investors are encouraged to consult with their own tax advisers regarding the possible implications of this legislation on their investment in the Notes.

Except as noted above, 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 ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE INVESTOR'S OWN CIRCUMSTANCES.**

**THE FOLLOWING IS A GENERAL SUMMARY OF SOURCE STATE WITHHOLDING TAXES ON INTEREST INCOME UNDER CURRENT LAW AND PRACTICE OF RELEVANT TAX AUTHORITIES IN THE JURISDICTIONS WHERE THE NOTES MAY BE OFFERED (IN ADDITION TO THE UK (WHERE THE NOTES MAY BE OFFERED AND WHERE THE AGENT IS LOCATED) AND THE NETHERLANDS, CANADA, AUSTRALIA AND THE USA (JURISDICTIONS WHERE AN ISSUER IS INCORPORATED)). THE FOLLOWING DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OF ALL TAX CONSIDERATIONS RELATING TO THE NOTES. IT DEALS WITH NOTEHOLDERS WHO BENEFICIALLY OWN THEIR NOTES AS AN INVESTMENT AND MAY NOT APPLY TO CERTAIN OTHER CLASSES OF PERSONS SUCH AS DEALERS IN SECURITIES. THE SUMMARY DOES NOT CONSTITUTE TAX OR LEGAL ADVICE AND PROSPECTIVE NOTEHOLDERS SHOULD ACCORDINGLY SEEK THEIR OWN PROFESSIONAL ADVICE.**

### ***Austria***

#### ***Resident investors***

Austrian withholding tax at a rate of 25 per cent. (27.5 per cent. as of 1 January 2016) is triggered if interest on the Notes is paid to individuals by an Austrian paying agent (an Austrian bank or Austrian branch of a non-Austrian bank) or if payments of realised capital gains from the sale of Notes are made by (i) an Austrian depository or (ii) by an Austrian paying agent provided the non-Austrian depository is a non-Austrian branch or group company of such paying agent and processes the payment in cooperation with the paying agent.

Corporate investors deriving business income from the Notes may avoid the application of this withholding tax by filing a declaration of exemption (*Befreiungserklärung*) pursuant to Section 94(5) Austrian Income Tax Act (*Einkommensteuergesetz*, EStG) with the Austrian paying agent or Austrian depository.

#### ***Non-resident investors***

Interest income and any capital gains derived from the Notes by individuals who do not have a domicile or their habitual place of abode in Austria or by corporate investors that do not have their corporate seat or their place of management in Austria ("*non-Austrian residents*") is not taxable in Austria provided that the debtor has its seat or place of effective management outside of Austria and that the income is not attributable to an Austrian permanent establishment (for withholding tax under the EU Savings Directive see below).

In case of payments to non-residents, an Austrian paying agent or depository could abstain from levying the 25 per cent. (27.5 per cent. as of 1 January 2016) Austrian withholding tax under the prerequisites set forth in Section 94(5) and/or (13) EStG.

If any Austrian withholding tax is deducted by an Austrian paying agent or depository, the non-

resident investor can apply for a refund by filing an application with the competent Austrian tax authority (within five calendar years following the year of the imposition of the Austrian withholding tax).

Where non-Austrian residents receive income from the Notes as part of their business income taxable in Austria (e.g. as part of an Austrian permanent establishment), they will generally be subject to the same tax treatment as Austrian resident business investors.

## **Belgium**

### ***Resident investors***

Payments of interest on the Notes made through a paying agent in Belgium to resident individuals who hold the Notes as a private investment will, in principle, be subject to a 25 per cent. Belgian withholding tax (calculated on the interest received after deduction of any non-Belgian withholding taxes). This is a final taxation.

Corporate investors can in certain circumstances apply to credit this withholding tax against their corporate income tax, with any excess being refunded.

Special rules apply to Belgian legal entities and organisations for financing pensions.

### ***Non-resident investors***

Interest income on the Notes paid through a professional intermediary in Belgium will, in principle, be subject to a 25 per cent. Belgian withholding tax, unless the Noteholder is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested affidavit to the Belgian tax authorities. If the income is not collected through a financial institution or other intermediary established in Belgium, no Belgian withholding tax is due on payments of interest to non-resident investors.

## **Germany**

### ***Resident investors***

Payments of interest made on Notes held in custody with a German custodian (the “*Disbursing Agent*”) will be made subject to a withholding tax. Disbursing Agents are German resident credit institutions, financial services institutions (including German permanent establishments of foreign institutions), securities trading companies or securities trading banks. The applicable withholding tax rate is 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax).

### ***Non-resident investors***

No German withholding tax should generally be withheld from payments to Noteholders who are not resident in Germany unless the Notes are held as business assets in a German permanent establishment of the investor.

## **Ireland**

### ***Resident and non-resident investors***

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The relevant Issuer will not be obliged to withhold tax from payments of interest on the Notes so long as such payments do not have an Irish source. Interest and premium paid on the Notes may be treated as having an Irish source if:

- (a) the relevant Issuer is resident in Ireland for tax purposes; or
- (b) the relevant Issuer is not resident in Ireland for tax purposes but the register for the Notes is maintained in Ireland or, if the Notes are in bearer form, the Notes are physically held in Ireland; or
- (c) the relevant Issuer has a branch or permanent establishment in Ireland, the assets or income of which are used to fund payments on the Notes.

It is anticipated that (i) each of the Issuers is not and will not be resident in Ireland for tax purposes; (ii) each of the Issuers will not have a branch or permanent establishment in Ireland; (iii)

Bearer Notes will not be physically located in Ireland; and (iv) neither TCCI nor TMCC will maintain a register of any registered Notes in Ireland.

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) on any interest, dividends or annual payments payable out of or in respect of the Notes issued by a company not resident in Ireland, where such interest is, dividends or annual payments are, collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder who is Irish resident. Encashment tax does not apply where the Noteholder is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

## **Italy**

### ***Resident investors***

Where the Italian resident beneficial owner is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent.

Where an Italian resident beneficial owner of the Notes is a company or similar commercial entity or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected and the Notes are deposited with an authorised intermediary, interest, premium and other income from the Notes will not be subject to *imposta sostitutiva*.

### ***Non-resident investors***

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident beneficial owner of interest or premium relating to the Notes provided that, if the Notes are deposited with an intermediary in Italy, the non-Italian resident beneficial owner of the Notes files an application with such intermediary declaring itself to be a non-resident.

## **Luxembourg**

### ***Resident investors***

Under current Luxembourg tax laws and subject to the application of the Luxembourg law dated 23 December 2005 (the “*December 2005 Law*”) there is no withholding tax on interest (paid or accrued) and other payments (for example, repayment of principal) made by the Issuer (or its paying agent, if any) to Luxembourg resident Noteholders.

According to the December 2005 Law, a 10 per cent. withholding tax is levied on payments of interest or similar income made by Luxembourg paying agents to (or for the benefit of) Luxembourg resident individuals Noteholders or to certain foreign residual entities securing the interest for such Luxembourg resident individuals Noteholders. This withholding tax also applies on accrued interest received upon sale, disposal, redemption or repurchase of the Notes.

Luxembourg resident individuals beneficial owners of payments of interest or similar income made by a paying agent established outside Luxembourg in a Member State of the European Union or the European Economic Area or in a jurisdiction having concluded an agreement with Luxembourg in connection with the EU Savings Directive may opt for a final 10 per cent. levy.

### ***Non-resident investors***

Under current Luxembourg tax laws, there is no withholding tax on interest (paid or accrued) and other payments (for example, repayment of principal) to non-resident Noteholders.

## **Spain**

### ***Resident investors***

*Individuals* - Spanish withholding tax (currently at a rate of 19.5 per cent. temporarily applicable during 2015 and 19 per cent. as from 1 January 2016) would be triggered if a Spanish entity acts as depository of the Notes or if interest is paid by a Spanish paying agent (i.e. a Spanish credit entity or Spanish permanent establishment of a non-resident credit entity) or if payments of any income due on the redemption, repayment or transfer of the Notes are made by a Spanish financial institution (or a Spanish permanent establishment of a non-resident financial institution).

*Legal entities* - Spanish withholding tax (currently at a rate of 19.5 per cent. temporarily applicable during 2015 and 19 per cent. as from 1 January 2016) would be triggered if a Spanish entity acts as depository of the Notes or if interest is paid by a Spanish paying agent (i.e. a Spanish credit entity or Spanish permanent establishment of a non-resident credit entity) or if payments of any income due on the redemption, repayment or transfer of the Notes are made by a Spanish financial institution (or a Spanish permanent establishment of a non-resident financial institution). However, pursuant to Section 61.s of the Corporate Income Tax Regulations, approved by Royal Decree 634/2015, there is no obligation to make a withholding on account of Spanish Corporate Income Tax in respect of income due on financial assets traded on organised markets of OECD countries.

#### ***Non-resident investors***

No Spanish withholding tax will be withheld from payments to Noteholders who are not resident in Spain.

#### **Switzerland**

Save as in the context of certain final withholding tax agreements described below and save as further provided below in the section “*EU Savings Directive*”, at present the Notes are not subject to Swiss withholding tax (*Verrechnungssteuer*).

#### ***Final Withholding Tax (UK and Austria)***

Switzerland has recently entered into agreements with the United Kingdom (agreement between the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland on cooperation in the area of taxation, signed on 6 October 2011, as amended) and Austria (agreement between the Swiss Confederation and the Republic of Austria on cooperation in the area of taxation and financial markets, signed on 13 April 2012) providing, *inter alia*, for a final withholding tax (such agreements collectively, the “*Final Withholding Tax Agreement*”). The Final Withholding Tax Agreement has entered into force on 1 January 2013 and might be followed by similar agreements with other European countries. According to the Final Withholding Tax Agreement, a Swiss paying agent may levy a final withholding tax on capital gains and on certain income items deriving, *inter alia*, from the Notes. The final withholding tax will substitute the ordinary income tax due by an individual resident of a contracting state on such gains and income items. In lieu of the final withholding, individuals may opt for a voluntary disclosure of the relevant capital gains and income items to the tax authorities of their state of residency. The Final Withholding Tax Agreement provides for a carve-out for interest payments to the extent such interest payments are subject to the European savings tax for Swiss paying agents. It is expected that as a consequence of the EU – Switzerland AEOI Agreement (as defined below), if and when approved and ratified, the Final Withholding Tax Agreement will be terminated.

#### ***Automatic Exchange of Information in Tax Matters***

On 27 May 2015 the Swiss Federal Council initiated the consultation process on the agreement between the European Union and Switzerland regarding the introduction of the automatic exchange of information in tax matters (the “*EU – Switzerland AEOI Agreement*”) which was signed on the same date, and by which, if approved and ratified, the existing agreement between the European Union and Switzerland on the taxation of savings income, dated 26 October 2004, will be amended. It is currently expected that the EU – Switzerland AEOI Agreement will come into effect on 1 January 2017 and the first set of data thereunder will be exchanged from 2018.

It is expected that in the near future other agreements on the automatic exchange of information in tax matters will be entered into.

#### **United Kingdom**

##### ***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 “*ITA 2007*”), and the Notes will constitute quoted Eurobonds as long as they are, and continue to be, listed on a “*recognised stock exchange*” within the meaning of section 1005 of the ITA 2007. 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

ITA 2007, this condition will be satisfied if the Notes are admitted to the Official List (within the meaning of, and in accordance with, the provisions of Part VI of the Financial Services and Markets Act 2000) and to trading on the London Stock Exchange and remain as such at the time of payment.

Interest on the Notes which is treated as having a United Kingdom source may also be paid without withholding or deduction on account of United Kingdom tax where the maturity of the Notes is less than one year and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, an amount must generally be withheld from payments of interest on the Notes that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any available exemptions and reliefs, including an exemption for certain payments of interest to which a company within the charge to United Kingdom corporation tax is beneficially entitled. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HM Revenue and Customs (“HMRC”) can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

### ***Provision of Information***

HMRC has powers to obtain information and documents relating to the Notes, including in relation to issues of and other transactions in the Notes, interest, payments treated as interest and other payments derived from the Notes. This may include details of the beneficial owners of the Notes, of the persons for whom the Notes are held and of the persons to whom payments derived from the Notes are or may be paid. Information may be obtained from a range of persons including persons who effect or are a party to such transactions on behalf of others, registrars and administrators of such transactions, the registered holders of the Notes, persons who make, receive or are entitled to receive payments derived from the Notes and persons by or through whom interest and payments treated as interest are paid or credited.

Information relating to the Notes may also be required to be provided automatically to HMRC by “relevant financial entities” under regulations made under section 222 of the Finance Act 2013, which implement the requirements of various automatic information exchange programmes, including FATCA, Council Directive 2011/16/EU on administrative cooperation in the field of taxation (as amended), the global standard for automatic exchange of information published by the Organisation for Economic Co-operation and Development in July 2014, and arrangements between the United Kingdom and its overseas territories and crown dependencies.

Information obtained by HMRC may be provided to tax authorities in other countries.

### **EU Savings Directive**

Under Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the “*EU Savings Directive*”), Member States are required to provide to the tax authorities of another Member State details of certain payments of interest or similar income (similar income for this purpose includes, but is not limited to, payments on redemption of the Notes representing any discount on the issue of Notes or any premium payable on redemption) paid or secured by a person established in a Member State to, or for the benefit of, an individual resident in that other Member State or certain limited types of entities established in that other Member State.

For a transitional period, Austria is instead required (unless during such period it elects otherwise) to levy a withholding tax at a rate of currently 35 per cent. in relation to such payments. Luxembourg, which before 1 January 2015 also operated a withholding tax under the transitional rules, has now replaced such withholding tax with the information reporting regime described above. The transitional period will end after agreement on exchange of information is reached between the EU and certain non-EU states.

A number of non-EU countries and territories, including Switzerland and certain British and Dutch dependent or associated territories, have adopted equivalent measures (a withholding system in the case of Switzerland).

On 24 March 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the requirements described above (the “*Amending Directive*”). The Amending Directive requires Member States to apply these new requirements from 1 January 2017 and

if they were to take effect, the changes would expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. They would also expand the circumstances in which payments must be reported or subject to withholding. The EU Savings Directive will apply a “look through approach” to payments made via certain persons, entities or legal arrangements (including trusts and partnerships), where certain conditions are satisfied, where an individual resident in a Member State is regarded as the beneficial owner of the payment for the purposes of the EU Savings Directive. This approach may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

Notwithstanding the above, the European Commission has proposed the repeal of the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on administrative cooperation in the field of taxation (as amended by Council Directive 2014/107/EU). The new regime under Council Directive 2011/16/EU (as amended) is in accordance with the global standard for automatic exchange of information published by the Organisation for Economic Co-operation and Development in July 2014. Council Directive 2011/16/EU (as amended) is generally broader in scope than the EU Savings Directive, although it does not impose withholding taxes. The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

Investors who are in any doubt as to their position should consult their professional advisors.

**The attention of Noteholders is drawn to Conditions 7 and 11(iv) of the Terms and Conditions of the Notes.**

#### **The Proposed Financial Transaction Tax (FTT)**

On 14 February 2013, the European Commission published a proposal (the “*Commission’s Proposal*”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “*participating Member States*”).

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Joint statements issued by participating Member States indicate an intention to implement the FTT by 1 January 2016.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.



## SUBSCRIPTION AND SALE

Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), Bank of Montreal, London Branch, Barclays Bank PLC, BNP Paribas, CIBC World Markets plc, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Daiwa Capital Markets Europe Limited, HSBC Bank plc, J.P. Morgan Securities plc, Lloyds Bank plc, Merrill Lynch International, Mitsubishi UFJ Securities International plc, Mizuho International plc, Morgan Stanley & Co. International plc, Nomura International plc, RBC Europe Limited, SMBC Nikko Capital Markets Limited, The Toronto-Dominion Bank and each of the Issuers, in the Amended and Restated Programme Agreement dated 11 September 2015, 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. 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 notification to Dealers of the amount of Notes allotted to them on a particular Note issuance 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 TCCI Registrar with a copy to the Agent or, in relation to Registered Notes issued by TMCC, to the TMCC 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 TCCI Registrar with a copy to the Agent or, in relation to Registered Notes issued by TMCC, to the TMCC 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.

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuers and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or their affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuers’ securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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 Bearer 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. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

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.

## 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 and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 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

(d) 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 (d) 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.

### **United Kingdom**

Each Dealer has represented and 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**

For selling restrictions in respect of the Netherlands, see “*European Economic Area*” above and in addition:

- (a) *Specific Dutch selling restriction for exempt offers:* Each Dealer has represented and has agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not make an offer of Notes to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive unless:
  - (i) such offer is made exclusively to legal entities which are qualified investors (as defined in the Prospectus Directive and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in the Netherlands; or

- (ii) standard exemption logo and wording are disclosed as required by article 5:20(5) of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht, the “NLFMSA”*); or
- (iii) such offer is otherwise made in circumstances in which article 5:20(5) of the NLFMSA is not applicable,

provided that no such offer of the Notes shall require any 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 the Netherlands 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 the Netherlands by any measure implementing the Prospectus Directive in the Netherlands.

- (b) 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 21 May 1985 (as amended) and its implementing regulations. No such mediation is required in respect of: (i) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form; (ii) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof; (iii) 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 (iv) 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.

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

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to acknowledge, represent and agree, that:

- (a) the sale and delivery of any Notes to any purchaser who is a resident of Canada or otherwise subject to the laws of Canada or who is purchasing for a principal who is a resident of Canada or otherwise subject to the laws of Canada (each such purchaser or principal a “*Canadian Purchaser*”) by such Dealer shall be made so as to be exempt from the prospectus filing requirements and exempt from or in compliance with the dealer registration requirements of all applicable securities laws and regulations, rulings and orders made thereunder and rules, instruments and policy statements issued and adopted by the relevant securities regulator or regulatory authority, including those applicable in each of the provinces and territories of Canada (the “*Canadian Securities Laws*”);
- (b) where required under applicable Canadian Securities Laws, (i) it is appropriately registered under the applicable Canadian Securities Laws in each province and territory to sell and deliver the Notes to each Canadian Purchaser that is a resident of, or otherwise subject to the Canadian Securities Laws of, such province or territory, and to whom it sells or delivers any Notes; (ii) such sale and delivery will be made through an affiliate of it that is so registered, if

the affiliate is registered in a category that permits such sale and has agreed to make such sale and delivery in compliance with the representations, warranties and agreements set out herein; (iii) it is a dealer that is permitted to rely upon the “*international dealer exemption*” contained in section 8.18 of National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations (“*NI 31-103*”), has complied with all requirements of that exemption and has provided notice to such investor as required by NI 31-103, provided that a statement to such effect in the Canadian Offering Memorandum delivered to such Canadian Purchaser by the Dealer shall constitute such notice; or (iv) it is a dealer entitled to rely on a dealer registration exemption for trades with “*accredited investors*” made available under a blanket order issued by the applicable securities regulatory authority;

- (c) it will comply with all relevant Canadian Securities Laws concerning any resale of the Notes and will prepare, execute, deliver and file all documentation required by the applicable Canadian Securities Laws to permit each resale by it of Notes to a Canadian Purchaser;
- (d) it will ensure that each Canadian Purchaser purchasing from it (i) has represented to it that such Canadian Purchaser is a resident in, and subject to the Canadian Securities Laws of, a province or territory of Canada, or is a corporation, partnership, or other entity, resident and created in or organised under the laws of Canada or any province or territory thereof, (ii) has represented to it that such Canadian Purchaser (A) is an “*accredited investor*” as defined in section 1.1 of National Instrument 45-106-Prospectus and Registration Exemptions (“*NI 45-106*”), which categories set forth in the relevant definition of “*accredited investor*” in NI 45-106 correctly and in all respects describes such Canadian Purchaser, and that it is not a person created or used solely to purchase or hold the Notes as an accredited investor as described in Section 2.3(5) of NI 45-106, and, (B) if the dealer is permitted to rely on the “*international dealer exemption*”, is a “*permitted client*” as defined in section 1.1 of NI 31-103 and a “*Canadian permitted client*” as defined in section 8.18 of NI 31-103 and which categories set forth in the relevant definition of “*permitted client*” and “*Canadian permitted client*” in NI 31-103 correctly and in all respects describes such Canadian Purchaser; and (iii) consents to disclosure of all required information about the purchase to the relevant Canadian securities regulatory authorities;
- (e) the offer and sale of the Notes was not and will not be made through or accompanied by any advertisement of the Notes, including, without limitation, in printed media of general and regular paid circulation, radio, television, or telecommunications, including electronic display or any other form of advertising or as part of a general solicitation in Canada;
- (f) it has not provided and will not provide to any Canadian Purchaser any document or other material that would constitute an offering memorandum (other than a Canadian offering memorandum prepared and provided to the Dealers in connection with the issue of the relevant Notes (the “*Canadian Offering Memorandum*”));
- (g) it will ensure that each Canadian Purchaser is advised that no securities commission, stock exchange or other similar regulatory authority in Canada has reviewed or in any way passed upon the Canadian Offering Memorandum or the merits of the Notes described therein, nor has any such securities commission, stock exchange or other similar regulatory authority in Canada made any recommendation or endorsement with respect to the Notes provided that a statement to such effect in the Canadian Offering Memorandum delivered to such Canadian Purchaser by the Dealer shall constitute such disclosure;
- (h) it has not made and it will not make any written or oral representations to any Canadian Purchaser (i) that any person will resell or repurchase the Notes purchased by such Canadian Purchaser; (ii) that the Notes will be freely tradeable by the Canadian Purchaser without any restrictions or hold periods; (iii) that any person will refund the purchase price of the Notes; or (iv) as to the future price or value of the Notes; and
- (i) it will inform each Canadian Purchaser (i) that the Issuer is not a “*reporting issuer*” and is not, and may never be, a reporting issuer in any province or territory of Canada and there currently is no public market in Canada for any of the Notes, and one may never develop; (ii) that the Notes will be subject to resale restrictions under applicable Canadian Securities Laws; and (iii) such Canadian Purchaser’s name and other specified information will be disclosed to the relevant Canadian securities regulators or regulatory authorities and may become available to

the public in accordance with applicable laws provided that a statement to such effect in the Canadian Offering Memorandum delivered to such Canadian Purchaser by the Dealer shall constitute such disclosure.

### **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 or invitee is at least A\$500,000 (or the equivalent in any other currency, in either case, disregarding moneys lent by the offeror 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**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold, and will not offer or sell, directly or indirectly, any Notes; and
- (b) it has not distributed and will not distribute, directly or indirectly, any offering materials or advertisement in relation to any offer of Notes,

in each case in New Zealand other than:

- (i) to persons who are “wholesale investors” as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the Financial Markets Conduct Act 2013 of New Zealand (“*FMC Act*”), being a person who is:

- (A) an “investment business”;
- (B) “large”; or
- (C) a “government agency”,

in each case as defined in Schedule 1 to the FMC Act; or

- (ii) in other circumstances where there is no contravention of the FMC Act, provided that (without limiting paragraph (i) above) Notes may not be offered or transferred to any “eligible investors” (as defined in the FMC Act) or any person that meets the investment activity criteria specified in clause 38 of Schedule 1 to the FMC Act.

## **Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) 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 (Winding Up and Miscellaneous Provisions) 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 or 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 (Cap. 571) of Hong Kong and any rules made under that Ordinance.

## **People’s Republic of China**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor its affiliates has offered or sold or will offer or sell any Notes in the PRC or to residents of the PRC, except as permitted by applicable securities laws and regulations of the PRC.

## **Singapore**

Each Dealer has acknowledged and agreed, and each further Dealer appointed under the Programme will be required to acknowledge and agree, that this Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the “*Securities and Futures Act*”). Accordingly, the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries’ rights and interests (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor or to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) or (in the case of a corporation) where the transfer arises

from an offer referred to in Section 275(1A) or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the Securities and Futures Act;

- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) pursuant to Section 276(7) of the Securities and Futures Act; or
- (v) pursuant to Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

## **Switzerland**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it (a) will only offer or sell Notes in, into or from 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, for the offer or sale by it of Notes under the laws and regulations in force in Switzerland.

This Prospectus does not constitute a prospectus within the meaning of the Swiss Code of Obligations (“CO”) or the Swiss Collective Investment Schemes Act (“CISA”), as the case may be. Only the relevant offering circular for the offering of Notes in, into or from Switzerland and any information required to ensure compliance with the CO 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, into or from Switzerland. Each Dealer has therefore represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the relevant offering circular and such information shall be furnished to any potential purchaser in Switzerland in such manner and at such times as required by the CO and all other applicable laws and regulations of Switzerland.

If and to the extent that the Notes qualify as a structured product within the meaning of the CISA and unless the Notes are offered and distributed in, into or from Switzerland in compliance with the CISA and its implementing ordinances, including that all relevant licences have been obtained and that a simplified prospectus within the meaning of Article 5 CISA has been prepared to be furnished to any potential purchaser in Switzerland upon request in such manner and at such times as required by the CISA and all other applicable laws and regulations of Switzerland, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to further represent and agree, that it will not, directly or indirectly, (i) publicly offer, sell, or advertise the Notes in, into or from Switzerland, as such term is defined or interpreted under the CO, (ii) distribute the Notes to non-qualified investors (as such term is defined under the CISA, its implementing ordinance and any other applicable regulations) in, into or from Switzerland, and (iii) distribute or otherwise make available this Prospectus, the relevant offering circular or any other document related to the Notes in Switzerland in a way that would constitute a public offering of the Notes within the meaning of the CO or a distribution of the Notes to non-qualified investors within the meaning of the CISA.

## **Ireland**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that to the extent applicable:

- (a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Act 2014 of Ireland, the Central Bank Acts 1942 – 2014 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and
- (c) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC)



Regulations 2005 (as amended) and any rules issued under Section 1370 of the Companies Act 2014 of Ireland by the Central Bank of Ireland.

## Spain

Each Dealer has acknowledged and agreed, and each further Dealer appointed under the Programme will be required to acknowledge and agree, that neither the Prospectus nor the Notes have been or will be approved by, or registered with the administrative registries of, the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Notes may not be offered, sold or distributed in the Kingdom of Spain save in accordance with the requirements of Law 24/1988, of 28 July 1988, on the Securities Market (*Ley 24/1988, de 28 de julio, del Mercado de Valores*), as amended and restated, and Royal Decree 1310/2005, of 4 November 2005, partially developing Law 24/1988, of 28 July 1988, on the Securities Market in connection with listing of securities in secondary official markets, initial purchase offers, rights issues and the prospectus required in these cases (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), as amended and restated, or as further amended, supplemented or restated from time to time. The Notes may only be offered and sold in Spain by institutions authorised to provide investment services in Spain under Law 24/1988, of 28 July 1988, on the Securities Market (*Ley 24/1988, de 28 de julio, del Mercado de Valores*), as amended and restated (and related legislation) and Royal Decree 217/2008, of 15 February, on the legal regime applicable to investment services companies (*Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*).

### **Issues of Notes with a Specified Denomination of less than €100,000 (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 €100,000 (or its equivalent in any other 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 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 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 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.

### **Non-exempt 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 of Notes to the public in certain jurisdictions identified in such Final Terms (such jurisdictions, together with Ireland, 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 Non-exempt Offer contained in such Final Terms, be able to use such Final Terms and this Prospectus for a Non-exempt 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 Non-exempt Offer using this 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 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 Non-exempt 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 ensure that any Placer (as defined in the applicable Final Terms) purchasing from such Dealer any of the Notes has been notified that by accepting such Notes such Placer undertakes to comply with the foregoing provisions of this Non-exempt Offers in certain EEA Jurisdictions selling restriction.

Each Dealer has also represented and agreed, and each further Dealer appointed under the Programme 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*” (including where repeated in the Issue Specific Summary set out in the Schedule to the applicable Final Terms), 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*”, in the section entitled “*Method and time limits for paying up and delivering 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 as such 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 Non-exempt Offer in the Jurisdictions at any time other than during the Offer Period pursuant to, and in accordance with, this 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 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 an “*offer of Notes to the public*” 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 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 relating to the Notes 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 €50,000,000,000 (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 (and further amended on 4 March 2011 with respect to certain Notes) which remain outstanding at any time, was duly authorised by a resolution of the Board of Management of TMF dated 4 September 2015, by a resolution of the Board of Directors of TCCI dated 29 August 2011, by a resolution of the Board of Directors of TFA dated 28 August 2015 and by a resolution of the Executive Committee of the Board of Directors of TMCC dated 14 September 2010.

### Listing and Admission to Trading

Application will be 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. 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 17 September 2015.

### Availability of Documents

For the period of twelve months following the date of this Prospectus, copies of the following documents (in physical form) will, when published, be available free of charge from and will be available for inspection during usual business hours on any weekday (except Saturdays, Sundays 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 annual financial reports and, if prepared, the published interim financial reports of each of the Issuers required to file such reports and the Parent, together with any audit or review reports prepared in connection therewith, and the published Annual Financial Report for the financial year ended 31 March 2015 of each of TMF, TCCI and TFA and for the financial year ended 31 March 2014 of each of TMF and TFA, together with the audit reports prepared in connection therewith, TMCC's FY2015 10-K and TMCC's Quarterly Report on Form 10-Q for the quarter ended 30 June 2015, the Parent's Annual Report on Form 20-F for the year ended 31 March 2015 and the Parent's Unaudited Consolidated Financial Statements for the three month period ended 30 June 2015 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 (in physical form) of the TCCI Note Agency Agreement will be available free of charge to holders of Registered Notes issued by TCCI, and will be available for inspection during usual business hours on any weekday (except Saturdays, Sundays and public holidays) at the registered office of TCCI and at the specified offices of the TCCI Registrar and the TCCI Transfer Agent. Copies (in physical form) of the TMCC Note Agency Agreement will be available free of charge to holders of Registered Notes issued by TMCC, and will be available for inspection during usual business hours on

any weekday (except Saturdays, Sundays and public holidays) at the registered office of TMCC and at the specified offices of the TMCC Registrar and the TMCC Transfer Agent.

Copies (in physical form) of the “Terms and Conditions of the Notes” section from each of the Prospectuses published by the Issuers dated 12 September 2014, 13 September 2013, 14 September 2012, 16 September 2011, 17 September 2010, 18 September 2009 and 26 September 2008 and 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, Sundays and public holidays) at the registered offices of each of the Issuers.

### **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 and any codes allocated by such other clearance system will be contained in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 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.

Notes issued by TCCI may be accepted for clearance through CDS Clearing and Depository Services Inc. (“CDS”). The address for CDS is 85 Richmond Street West, Toronto, ON, Canada, M5H 2C9.

### **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.

### **Yield**

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

### **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 31 March 2015, the date of the most recently published financial statements of such Issuer. There has been no significant change in the financial position or trading position of TMCC and its consolidated subsidiaries (considered as a whole) since 30 June 2015, the date of the most recently published financial statements of TMCC. 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 30 June 2015, the date of the most recently published financial statements of the Parent. 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 2015, the date of the most recently published audited financial statements of each Issuer and the Parent.

### **Litigation**

Save as disclosed on pages 175 and 176 of this Prospectus in the section “*Toyota Motor Corporation (“TMC”) – Description of TMC – Legal Proceedings*”, on page 31 of this Prospectus in the section “*Risk Factors - Recalls and Other Related Announcements*” and on page 151-154 of this Prospectus in the section “*Toyota Motor Credit Corporation (“TMCC”) – Description of TMCC – Regulatory Environment*”, 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.

Save as disclosed on page 31 of this Prospectus in the section “*Risk Factors - Recalls and Other Related Announcements*” and on page 151-154 of this Prospectus in the section “*Toyota Motor Credit Corporation (“TMCC”) – Description of TMCC – Regulatory Environment*”, 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 performs 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 or accruals for legal claims when payments associated with the claims become probable and the costs can be reasonably estimated. When an Issuer is able, it will also determine estimates of reasonably possible loss or range of loss, whether in excess of any related reserve or accrued liability or where there is no reserve or accrued liability. Given the inherent uncertainty associated with legal matters, the actual costs of resolving legal claims and associated costs of defence may be substantially higher or lower than the amounts reserved or for which accruals have been established. Based on available information and established reserves or accruals, no Issuer believes it is reasonably possible that the results of these proceedings, either individually or in the aggregate, will have a material adverse effect for each of TMCC and TFA, on its consolidated financial condition or results of operations and for each of TMF and TCCI, on its financial condition or results of operations.

#### **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., independent public accountants, has audited the financial statements of TMF for each of the two financial years ended 31 March 2015 and 31 March 2014. The partner signing the independent auditor’s report is a member of the NBA (Nederlandse Beroepsorganisatie van Accountants - The Netherlands Institute of Chartered Accountants).

As a result of the requirements for the mandatory rotation of statutory auditors and audit firms after a 10 year period under Regulation (EU) No 537/2014, Deloitte Accountants B.V. has been appointed auditors of TMF for the financial year beginning 1 April 2015.

##### *TCCI*

PricewaterhouseCoopers LLP, chartered professional accountants, has audited the financial statements of TCCI for each of the two financial years ended 31 March 2015 and 31 March 2014. The signing partner of PricewaterhouseCoopers LLP is a member of the CPA Canada.

##### *TFA*

PricewaterhouseCoopers (“*PWC Australia*”) audited TFA’s financial statements for the financial years ended 31 March 2015 and 31 March 2014. Partners of PricewaterhouseCoopers are members of The Institute of Chartered Accountants in Australia.

PWC Australia may be able to assert a limitation of liability with respect to claims arising out of its audit reports described or included in the TFA Base Prospectus or in the Annual Financial Reports for the financial years ended 31 March 2015 and 31 March 2014 of TFA referred to in paragraph (c) of “*Documents Incorporated by Reference*”. Such limitations of liability are set forth in the Professional Standards Act 1994 of New South Wales, Australia (the “*Professional Standards Act*”) and the Institute of Chartered Accountants in Australia (NSW) Scheme adopted by CPA Australia and The Institute of Chartered Accountants in Australia and approved by the New South Wales Professional Standards Council pursuant to the Professional Standards Act (the “*NSW Accountants Scheme*”) (or, in relation to

matters occurring prior to 7 October 2007, the predecessor scheme). The current NSW Accountants Scheme expires on 7 October 2019.

#### *TMCC*

The financial statements as of 31 March 2015 and 31 March 2014 and for each of the three years in the period ended 31 March 2015, 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. Partners of PricewaterhouseCoopers LLP are members 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 2015 and 31 March 2014 in accordance with United States generally accepted auditing standards. PricewaterhouseCoopers Aarata is a member of the Japanese Institute of Certified Public Accountants.

#### **Australian Regulations**

No approval is required by the laws of Australia on the part of TFA for or in connection with the issue of any Notes by it or for or in connection with the performance and enforceability of such Notes 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.

#### **Ratings – TFA**

Ratings are for distribution only to a person (a) who is not a “*retail client*” within the meaning of section 761G of the Australian Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6.D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Prospectus and anyone who receives this Prospectus must not distribute it to any person who is not entitled to receive it.

#### **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 relative Coupons does not constitute a deposit, as such term is used in the Bank Act (Canada).

#### **Post-issuance Information**

None of the Issuers intends to provide any post-issuance information in relation to any issues of Notes.

#### **Websites**

In this Prospectus, references to websites or uniform resource locators (URLs) are inactive textual references. The contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Prospectus.

**Foreign Language**

The language of this Prospectus is English. Certain legislative references to technical terms have been cited in their own language in order that the correct technical meaning may be ascribed to them under applicable law.

**Listing Agent**

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuers in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.



## REGISTERED OFFICE

### *The Issuers*

**Toyota Motor Finance  
(Netherlands) B.V.**  
World Trade Center  
Amsterdam  
Tower H, Level 10  
Zuidplein 90  
1077 XV Amsterdam  
The Netherlands

**Toyota Credit Canada Inc.**  
80 Micro Court  
Suite 200  
Markham  
Ontario L3R 9Z5  
Canada

**Toyota Finance  
Australia Limited**  
Level 9  
207 Pacific Highway  
St Leonards  
NSW 2065  
Australia

**Toyota Motor Credit  
Corporation**  
19001 South Western  
Avenue, NF10  
Torrance  
California 90501  
United States

### *The Parent*

**Toyota Motor Corporation**  
1, Toyota-cho  
Toyota City  
Aichi Prefecture 471-8571  
Japan

### *TFS*

**Toyota Financial Services Corporation**  
Nagoya Lucent Tower  
6-1, Ushijima-cho  
Nishi-ku, Nagoya City  
Aichi Prefecture 451-6015  
Japan

## DEALERS

**Australia and New Zealand Banking Group Limited**  
28<sup>th</sup> Floor  
40 Bank Street  
Canary Wharf  
London E14 5EJ

**Barclays Bank PLC**  
5 The North Colonnade  
Canary Wharf  
London E14 4BB

**CIBC World Markets plc**  
150 Cheapside  
London EC2V 6ET

**Crédit Agricole Corporate and Investment Bank**  
9, quai du Président Paul Doumer  
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