

Toyota Industries Corporation

Notice Regarding Repurchase of Shares through Tender Offer

At the Board of Directors' meeting held today, as stated below, the Company resolved to conduct a tender offer for its shares (the "Tender Offer") as a specific method of repurchasing shares of its shares pursuant to the Company's articles of incorporation and Article 156, Paragraph 1 of the Companies Act (Act No. 86, 2005, as revised; the "Companies Act") as applied pursuant to Article 165, Paragraph 3 of said Act.

1. Objective of the Tender Offer

The Company regards ensuring shareholder benefits as one of the most important management policies. In returning profits to shareholders, we emphasize on distributing dividends stably.

The Company strives to meet the expectations of shareholders for continuous dividends while taking into consideration such factors as business performance, demand for funds, the dividend payout ratio. We will use retained earnings effectively for capital investment, research and development, and other activities to achieve future business growth, and at the same time, flexibly implement measures to return profits to shareholders, including repurchase of treasury stock, taking into account stock price trends and capital structures. For the fiscal year ended March 2024, the Company paid an interim dividend of 100 yen per share and a year-end dividend of 140 yen per share, resulting in an annual dividend of 240 yen per share and consolidated dividend payout ratio of 32.6%.

On the other hand, the Company has continuously strengthened its corporate governance by recognizing the improvement of profitability, capital and asset efficiency as one of its key management tasks with the aim of sustainable business growth and medium- to long-term corporate value enhancement, while taking stock market expectations into account. On May 13, 2024, the Company announced new management targets as an initiative to improve corporate value, based on our management vision, "Vision 2030," announced in 2019, and set a target of achieving return on equity (ROE) of 8% over the medium to long term as one of its numerical targets.

As part of this, as announced in the "Notice Concerning the Determination of Matters Relating to the Repurchase of Shares of Common Stock" published by the Company on May 10, 2024 (referred to as the "May 10 Press Release"), the Company has decided to repurchase shares of its treasury stock within one year from May 13, 2024, up to a total number of 10 million shares and a total purchase cost of 180 billion yen, respectively.

Under these circumstances, in early May 2024, the Company has begun discussing the repurchase of its shares on the premise of acquiring a portion of the Company's common stock held by its largest shareholder, Toyota Motor Corporation ("Toyota Motor"), from the perspective that if the Company acquires a portion of the common stock held by its major shareholders as treasury stock, it will be possible to acquire a considerable number of shares in a relatively short period of time without impairing the liquidity of the Company's common stock. As of the current date, Toyota Motor holds 76,600,604 shares of the Company's common stock (shareholding ratio (note 1): 24.67%).

(Note 1) "Shareholding ratio" refers to the percentage of shares (310,477,035 shares) obtained by subtracting the number of shares of treasury stock that the Company holds as of March 31, 2024 (15,363,605 shares,) stated

in “FY2024 Consolidated Financial Results <IFRS>” published by the Company on April 26, 2024 (“FY2024 Consolidated Financial Results”) from the total number of shares issued as of March 31, 2024 (325,840,640 shares) stated in the FY2024 Consolidated Financial Results (rounded to the second decimal place; hereinafter the same applies to calculation of shareholding ratios.)

For the specific method of share repurchase announced in the press release issued on May 10, the Company has thoroughly deliberated on the partial repurchase of its treasury shares based on its capital policy aspect, taking into consideration equality among shareholders, transparency of the transaction, and trading conditions in the market.

As a result, in mid-May 2024, the Company decided that a tender offer would be an appropriate method for repurchasing its shares in terms of the following factors: (i) there is no problem in equality among shareholders, as not only Toyota Motor but also other shareholders can be given an opportunity to decide, with a certain deliberation period, whether or not to accept our offer to repurchase shares based on market price trends; (ii) the transparency of transactions is secured, as repurchase is conducted in accordance with the procedures of tender offer as set forth in the relevant laws and regulations; and (iii) repurchase of shares through a market purchase or ToSTNeT-3, Off-Auction Trading of Treasury Stock of the Tokyo Stock Exchange, Inc. (hereinafter the “Tokyo Stock Exchange”), is not a superior option to a tender offer because in such cases, equality among shareholders can be ensured, but the purchase price must be the market price according to the system and thereby it is not possible to repurchase shares at a certain discount to the market price.

With regard to the number of treasury shares to be repurchased, the Company reached the decision to approach Toyota Motor Corporation for the repurchase of 2,500,000 shares (shareholding ratio: 0.81%), a portion of the 76,600,604 shares (shareholding ratio: 24.67%) of the Company's ordinary shares held by Toyota Motor Corporation as of today, as part of the maximum number of shares to be repurchased (10 million shares) announced in the May 10 press release, taking into consideration the following reasons: ensuring equality among shareholders and improving corporate value through improved capital efficiency by repurchasing a portion of the maximum number of repurchased shares (10 million shares) announced in the May 10 press release; and maintaining the Company's position as an affiliate of Toyota Motor Corporation by maintaining the same level (expected shareholding ratio: 24.66%) of the Company's ordinary shares held by Toyota Motor Corporation when the repurchase of the treasury shares announced in the May 10 press release is completed as scheduled. In deciding the purchase price of the Tender Offer (the “Tender Offer Price”), the Company deemed it desirable to base the Tender Offer Price on the market price of the Company's ordinary shares from the perspective of emphasizing the clarity and objectivity of the basis for the pricing, and to repurchase its shares at a discount to the market price by a certain amount to minimize the outflow of assets to the extent possible from the perspective of respecting the interests of shareholders who choose not to tender their shares in the Tender Offer and continue to hold the Company's ordinary shares. Therefore, in early May 2024, the Company proposed to Toyota Motor a potential Tender Offer for 2,500,000 shares (shareholding ratio: 0.81%), which is a portion of the 76,600,604 shares (shareholding ratio: 24.67%) of the Company's common shares held by Toyota Motor as of the current date, at a 10% discount to either the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on June 5, 2024, the business day immediately preceding the resolution date of the Board of Directors regarding the implementation of the Tender Offer, or the simple average closing price of the Company's common stock for the period of one month up to that date, whichever is lower. The Company analyzed 44 tender offers for treasury stock that were settled during the period from May 2022 to April 2024 in order to determine the discount rates set for a certain number of recent similar cases (“Reference Cases”). Among the 44 Reference Cases, a discount of 10% (including in the range of 10%) was the most common, occurring in 27 out of 38 cases (there were no cases with a discount of less than 5%, two cases with a discount of 5% or more and less than 10%, and nine cases with a discount of 11% or more), excluding five cases where premiums were set and one case where the tender offer price was determined using a share valuation report. Therefore, we decided to set the discount at 10%, considering that it to be a general and reasonable level.

Upon receiving a response from Toyota Motor Corporation in mid-May 2024 to the effect that it would

consider the Tender Offer and continuing to await further communication from Toyota Motor Corporation, on May 21, 2024, the Company received a response from Toyota Motor Corporation regarding the proposed Tender Offer, stating that it would give positive consideration for the number of the Company's ordinary shares and the Tender Offer Price that the Company plans to tender upon the implementation of the Tender Offer (the "Intended Tendering Shares"). The number of Intended Tendering Shares that Toyota Motor Corporation proposed is equal to the number proposed by the Company, being 2,500,000 shares (shareholding ratio: 0.81%), which is part of the total number of all ordinary shares held by Toyota Motor Corporation as of today, amounting to 76,600,604 shares (shareholding ratio: 24.67%). If the total number of share certificates, etc. tendered in response to the Tender Offer (the "Tendered Share Certificates") exceeds the number of shares planned for purchase, the purchase of shares and other settlements will be made according to the pro rata method provided in Article 27-13, Paragraph 5 of the Financial Instruments and Exchange Act (Act No. 25 of 1948, including subsequent revisions, the "Act") that is applied mutatis mutandis pursuant to Article 27-22-2, Paragraph 2 of the Act, and Article 21 of the Cabinet Office Order on Disclosure Required for Tender Offer for Listed Share Certificates by Issuers (Ministry of Finance Order No. 95 of 1994, including subsequent revisions). Therefore, a portion of the Intended Tendering Shares will not be purchased; however, Toyota Motor Corporation has stated that it will consider selling the Intended Tendering Shares that the Company is unable to acquire through this Tender Offer in the future, with the specific timing and method yet to be determined. On the other hand, the Company has been informed by Toyota Motor that, excluding the Tendered Shares Offered that the Company is unable to acquire through the pro rata method, etc., their policy is to continue holding the remaining common shares of the Company after the Tender Offer as of the current date.

Subsequently, at the Board of Directors meeting held today, the Company confirmed that the closing price of the Company's common shares on June 5, 2024, which was the business day immediately preceding the Board of Directors resolution date (June 6, 2024), was 14,255 yen, and the simple average value of the closing prices of the Company's common shares for the one-month period up to June 5, 2024, was 14,842 yen (rounded down to the nearest whole yen; hereinafter the same for calculating the simple average value of the closing price). The Company then determined that the lower of these two figures is the closing price of the Company's common shares on June 5, 2024 of 14,255 yen. With the unanimous approval of all five Directors (excluding Mr. Kazunari Kumakura (Note 2)) who participated in the deliberations and resolution, the Company resolved to implement the Tender Offer as the specific method of acquiring its shares pursuant to the Board of Directors resolution of May 10, 2024. It was also resolved that the Tender Offer Price shall be 12,830 yen (rounded down to the nearest whole yen; the same shall apply hereinafter for calculations of the Tender Offer Price), which represents a 10% discount of the closing price of 14,255 yen on the Prime Market of the Tokyo Stock Exchange for the Company's common shares on June 5, 2024, the business day immediately preceding the Board of Directors resolution date for the Tender Offer. After the completion of the Tender Offer, the Company plans to acquire its common shares through market purchases on the Tokyo Stock Exchange during the period from August 1, 2024 to May 12, 2025, within the remaining number of shares to be acquired (10 million shares in total) pursuant to the resolution for the acquisition of shares passed at the Board of Directors meeting on May 10, 2024, after deducting the number of Company common shares acquired through the Tender Offer.

With respect to the number of shares to be purchased through the Tender Offer, while the Company anticipated that tenders by shareholders other than Toyota Motor would be limited, given the economic rationality of the deviation from prevailing market prices due to the discount applied to the Tender Offer Price, the Company set the planned purchase at 3,000,000 shares (ownership ratio: 0.97%), which is a 20% increase over the 2,500,000 shares to be tendered (ownership ratio: 0.81%), in order to provide an opportunity for other shareholders to tender as well.

The Company plans to source the funds required for the Tender Offer entirely from internal funds. As stated in the Financial Results, our consolidated cash liquidity (cash and cash equivalents; the same shall apply hereinafter for cash liquidity calculations) as of March 31, 2024 was 496,849 million yen (liquidity turnover

ratio of 1.6 months) (Note 3). Even after allocating the funds required for the purchase, etc., in the Tender Offer (38,508 million yen), our projected cash liquidity will be 458,341 million yen (liquidity turnover ratio of 1.4 months) (Note 4). Therefore, cash liquidity will be sufficiently secured. Furthermore, the Company expects to accumulate a certain amount of cash flow from future operations. Consequently, even if the Company implements the acquisition of shares with a total number of 10 million shares and a total purchase cost of 180 billion yen within one year from May 13, 2024, as announced in the May 10 Press Release, the Company believes its financial soundness and safety will be maintained going forward.

The policy on the disposal or other treatment of the treasury shares acquired through the Tender Offer is currently undecided.

(Note 2) Mr. Kazunari Kumakura, who is a Director of the Company, also serves as the Chief Officer of the Purchasing Group of Toyota Motor. To eliminate any arbitrariness in the decision-making process regarding the consideration and determination of the Tender Offer, he did not participate in any deliberations or resolutions relating to the Tender Offer at the Board of Directors meeting held today. Furthermore, he did not take part in any discussions or negotiations with Toyota Motor from the Company's perspective.

(Note 3) This is the value obtained by dividing consolidated cash liquidity as of March 31, 2024, as stated in the Financial Results, by the monthly net sales figure (calculated by dividing the annual consolidated net sales by 12 months) derived from the Financial Results (rounded to the first decimal place).

(Note 4) This is the value obtained by dividing the amount remaining after deducting the funds required for the purchase, etc., in the Tender Offer from consolidated cash liquidity as of March 31, 2024, as stated in the Financial Results, by the monthly net sales figure (calculated by dividing the annual consolidated net sales by 12 months) derived from the Financial Results (rounded to the first decimal place).

2. Details of the Board of Directors' Resolution on the Acquisition of Company Shares (disclosed on May 10, 2024)

(1) Resolved Matters

Class of shares	Total number	Total cost of purchase
Common stock	Up to 10,000,000 shares	Up to 180,000,000,000 yen

(Note 1) The total number of shares to be acquired, 10,000,000 shares, accounts for 3.22% (rounded to the second decimal place) of the total number of issued shares (310,477,035 shares, excluding treasury shares) as of June 6, 2024.

(Note 2) Company plans to acquire shares not acquired through the Tender Offer among the total number of shares to be acquired through market purchases.

(2) Listed Share Certificates Relating to Own Shares Already Repurchased Based on the Resolution

Not applicable.

3. Overview of Tender Offer

(1) Schedule, etc.

1) Date of Board of Directors Resolution	June 6, 2024 (Thursday)
2) Publication date for commencing the Tender Offer	June 7, 2024 (Friday) Electronic public notice will be posted, and posting of the electronic public notice will be published in the Nihon Keizai Shimbun. Electronic Public Notice URL: (https://disclosure2.edinet-fsa.go.jp/)
3) Filing date of Tender Offer	June 7, 2024 (Friday)

Registration Statement	
4) Tender Offer Period	June 7, 2024 (Friday) to July 4, 2024 (Thursday) (20 business days)

(2) Tender Offer Price

12,830 yen per share of common stock

(3) Basis for Calculation of Tender Offer Price, etc.

1) Basis for Calculation

For the specific method of share repurchase, the Company has thoroughly deliberated on the partial repurchase of its treasury shares based on its capital policy, taking into consideration equality among shareholders, transparency of the transaction, and trading conditions in the market.

As a result, in mid-May 2024, the Company decided that a tender offer would be an appropriate method for repurchasing its treasury stock in terms of the following factors: (i) equality among shareholders will not be compromised, as it will allow shareholders other than Toyota Motor Corporation to decide whether or not to accept the tender offer based on trends in market prices by providing them with a certain deliberation period; (ii) transparency of transactions will be secured, as the repurchase is conducted as per the tender offer procedure outlined in the relevant laws and regulations; and (iii) repurchase of treasury stock through market purchase or ToSTNeT-3, Off-Auction Trading of Treasury Stock of the Tokyo Stock Exchange, is not a superior option to a tender offer because in such cases, equality among shareholders can be ensured, but a purchase price must be a market price according to the system and thereby it is not possible to repurchase treasury stock at a certain discount to the market price.

With regard to the number of treasury shares to be repurchased, the Company reached a decision to approach Toyota Motor Corporation for the repurchase of 2,500,000 shares (shareholding ratio: 0.81%), a portion of the 76,600,604 shares (shareholding ratio: 24.67%) of the Company's ordinary shares held by Toyota Motor Corporation as of today, as part of the maximum number of shares to be repurchased (10 million shares) announced in the May 10 press release, taking into consideration the following reasons: ensuring equality among shareholders and improving corporate value through improved capital efficiency by repurchasing a portion of the maximum number of repurchased shares (10 million shares) announced in the May 10 press release; and maintaining the Company's position as an affiliate of Toyota Motor Corporation by maintaining the same level (expected shareholding ratio: 24.66%) of the Company's ordinary shares held by Toyota Motor Corporation when the repurchase of the treasury shares announced in the May 10 press release is completed as scheduled. In deciding the Tender Offer Price, the Company deemed it desirable to base the Tender Offer Price on the market price of the Company's ordinary shares from the perspective of emphasizing the clarity and objectivity of the basis for the pricing, and to repurchase its shares at a discount to the market price by a certain amount to minimize the outflow of assets to the extent possible from the perspective of respecting the interests of shareholders who choose not to tender their shares in the Tender Offer and continue to hold the Company's ordinary shares. Therefore, in early May 2024, the Company proposed to Toyota Motor a potential Tender Offer for 2,500,000 shares (shareholding ratio: 0.81%), which is a portion of the 76,600,604 shares (shareholding ratio: 24.67%) of the Company's common shares held by Toyota Motor as of the current date, at a 10% discount to either the closing price of the Company's common stock on the "Tokyo Stock Exchange" on June 5, 2024, the business day immediately preceding the resolution date of the Board of Directors regarding the implementation of the Tender Offer, or the simple average closing price of the Company's common stock for the period of one month up to that date, whichever is lower. The Company analyzed 44 Reference Cases, for treasury stock in order to determine the discount rates set for a certain number of recent similar cases. Among the 44 Reference Cases, a

discount of 10% (including in the range of 10%) was the most common, occurring in 27 out of 38 cases (there were no cases with a discount of less than 5%, two cases with a discount of 5% or more and less than 10%, and nine cases with a discount of 11% or more), excluding five cases where premiums were set and one case where the tender offer price was determined using a share valuation report. Therefore, we decided to set the discount at 10%, considering that it to be a general and reasonable level. Upon receiving a response from Toyota Motor Corporation in mid-May 2024 to the effect that it would consider the Tender Offer and continuing to await further communication from Toyota Motor Corporation, on May 21, 2024, the Company received a response from Toyota Motor Corporation regarding the proposed Tender Offer, stating that it would give positive consideration for the number and the price of the Intended Tendering Shares. The number of Intended Tendering Shares that Toyota Motor Corporation proposed is equal to the number proposed by the Company, being 2,500,000 shares (shareholding ratio: 0.81%), which is part of the total number of all ordinary shares held by Toyota Motor Corporation as of today, amounting to 76,600,604 shares (shareholding ratio: 24.67%). If the total number of the Tendered Share Certificates exceeds the number of shares planned for purchase, the purchase of shares and other settlements will be made according to the pro rata method provided in Article 27-13, Paragraph 5 of the Act that is applied mutatis mutandis pursuant to Article 27-22-2, Paragraph 2 of the Act, and Article 21 of the Cabinet Office Order on Disclosure Required for Tender Offer for Listed Share Certificates by Issuers. Therefore, a portion of the Intended Tendering Shares will not be purchased; however, Toyota Motor Corporation has stated that it will consider selling the Intended Tendering Shares that the Company is unable to acquire through this Tender Offer in the future, with the specific timing and method yet to be determined. On the other hand, Toyota Motor Corporation provided the Company with a statement that, with the exception of the Intended Tendering Shares that the Company was unable to acquire through the pro rata method, it intends to continue to hold the shares of the Company's ordinary shares that it will own after the tender offer as of the time of this announcement.

Based on the considerations and discussions above, at the Board of Directors meeting held today, the Company confirmed that the closing price of the Company's common shares on June 5, 2024, which was the business day immediately preceding the Board of Directors resolution date (June 6, 2024), was 14,255 yen, and the simple average value of the closing prices of the Company's common shares for the one-month period up to June 5, 2024, was 14,842 yen. The Company then determined that the lower of these two figures is the closing price of the Company's common shares on June 5, 2024 of 14,255 yen. With the unanimous approval of all five Directors (excluding Mr. Kazunari Kumakura) who participated in the deliberations and resolution, the Company resolved to implement the Tender Offer as the specific method of acquiring treasury shares based on the Board of Directors resolution of May 10, 2024. It was also resolved that the Tender Offer Price shall be 12,830 yen, which represents a 10% discount of the closing price of 14,255 yen on the Prime Market of the Tokyo Stock Exchange of the Company's common shares on June 5, 2024, the business day immediately preceding the Board of Directors resolution date for the Tender Offer. After the completion of the Tender Offer, the Company plans to acquire its common shares through market purchases on the Tokyo Stock Exchange during the period from August 1, 2024, to May 12, 2025, within the remaining number of shares to be acquired (10 million shares in total) under the resolution for the acquisition of treasury shares passed at the Board of Directors meeting on May 10, 2024, after deducting the number of the Company's common shares acquired through the Tender Offer.

Concerning the number of shares to be purchased in the tender offer, from the viewpoint of economic rationality due to the deviation from the price traded in the market, the Company initially expected that the number of shares to be purchased by non-Toyota shareholders in the tender offer, which will be conducted at a price discounted from the market price, would be limited. Contrary to this initial expectation, the number of shares to be purchased in the tender offer will be 3,000,000 shares (shareholding ratio: 0.97%), which is 20% more than the number of Intended Tendering Shares of 2,500,000 shares (shareholding ratio: 0.81%),

from the viewpoint of providing opportunities for other shareholders to tender their shares in the offer.

The Tender Offer Price of 12,830 yen is as follows: (i) 14,255 yen, the closing price of the Company's common shares on the Prime Market of the Tokyo Stock Exchange on June 5, 2024, the business day immediately preceding the Board of Directors resolution date for the Tender Offer, minus a 10% discount (rounded to the second decimal place; the same shall apply hereinafter for calculations of the discount rate), (ii) 14,842 yen, the simple average value of the closing prices of the Company's common shares during the one-month period up to June 5, 2024, minus a 13.56% discount, (iii) 14,820 yen, the simple average value of the closing prices of the Company's common shares during the three-month period up to June 5, 2024, minus 13.43% discount.

2) Calculation Background

For the specific method of share repurchase, the Company has thoroughly deliberated on the partial repurchase of its treasury shares based on its capital policy, taking into consideration equality among shareholders, transparency of the transaction, and trading conditions in the market.

As a result, in mid-May 2024, the Company decided that a tender offer would be an appropriate method for repurchasing its shares in terms of the following factors: (i) there is no problem in equality among shareholders, as not only Toyota Motor but also other shareholders can be given an opportunity to decide, with a certain deliberation period, whether or not to accept our offer to repurchase shares based on market price trends; (ii) the transparency of transactions is secured, as repurchase is conducted in accordance with the procedures of tender offer as set forth in the relevant laws and regulations; and (iii) repurchase of shares through a market purchase or ToSTNeT-3, Off-Auction Trading of Treasury Stock of the Tokyo Stock Exchange, is not a superior option to a tender offer because in such cases, equality among shareholders can be ensured, but the purchase price must be the market price according to the system and thereby it is not possible to repurchase shares at a certain discount to the market price.

With regard to the number of treasury shares to be repurchased, the Company reached a decision to approach Toyota Motor Corporation for the repurchase of 2,500,000 shares (shareholding ratio: 0.81%), a portion of the 76,600,604 shares (shareholding ratio: 24.67%) of the Company's ordinary shares held by Toyota Motor Corporation as of today, as part of the maximum number of shares to be repurchased (10 million shares) announced in the May 10 press release, taking into consideration the following reasons: ensuring equality among shareholders and improving corporate value through improved capital efficiency by repurchasing a portion of the maximum number of repurchased shares (10 million shares) announced in the May 10 press release from the market; and maintaining the Company's position as an affiliate of Toyota Motor Corporation by maintaining the same level (expected shareholding ratio: 24.66%) of the Company's ordinary shares held by Toyota Motor Corporation when the repurchase of the treasury shares announced in the May 10 press release is completed as scheduled. In deciding the Tender Offer Price, the Company deemed it desirable to base the Tender Offer Price on the market price of the Company's ordinary shares from the perspective of emphasizing the clarity and objectivity of the basis for the pricing, and to repurchase its shares at a discount to the market price by a certain amount to minimize the outflow of assets to the extent possible from the perspective of respecting the interests of shareholders who choose not to tender their shares in the Tender Offer and continue to hold the Company's ordinary shares. Therefore, in early May 2024, the Company proposed to Toyota Motor a potential Tender Offer for 2,500,000 shares (shareholding ratio: 0.81%), which is a portion of the 76,600,604 shares (shareholding ratio: 24.67%) of the Company's common shares held by Toyota Motor as of the current date, at a 10% discount to either the closing price of the Company's common stock on the Prime Market of Tokyo Stock Exchange, Inc. ("Tokyo Stock Exchange") on June 5, 2024, the business day immediately preceding the resolution date of the Board of Directors regarding the implementation of the Tender Offer, or the simple average closing price of the Company's common stock for the period of one month up to that date, whichever is lower. The Company analyzed 44

Reference Cases, for treasury stock in order to determine the discount rates set for a certain number of recent similar cases. Among the 44 Reference Cases, a discount of 10% (including in the range of 10%) was the most common, occurring in 27 out of 38 cases (there were no cases with a discount of less than 5%, two cases with a discount of 5% or more and less than 10%, and nine cases with a discount of 11% or more), excluding five cases where premiums were set and one case where the tender offer price was determined using a share valuation report. Therefore, we decided to set the discount at 10%, considering that it to be a general and reasonable level. Upon receiving a response from Toyota Motor Corporation in mid-May 2024 to the effect that it would consider the Tender Offer and continuing to await further communication from Toyota Motor Corporation, on May 21, 2024, the Company received a response from Toyota Motor Corporation regarding the proposed Tender Offer, stating that it would give positive consideration for the number and the price of the Intended Tendering Shares. The number of Intended Tendering Shares that Toyota Motor Corporation proposed is equal to the number proposed by the Company, being 2,500,000 shares (shareholding ratio: 0.81%), which is part of the total number of all ordinary shares held by Toyota Motor Corporation as of today, amounting to 76,600,604 shares (shareholding ratio: 24.67%). If the total number of the Tendered Share Certificates exceeds the number of shares planned for purchase, the purchase of shares and other settlements will be made according to the pro rata method provided in Article 27-13, Paragraph 5 of the Act that is applied mutatis mutandis pursuant to Article 27-22-2, Paragraph 2 of the Act, and Article 21 of the Cabinet Office Order on Disclosure Required for Tender Offer for Listed Share Certificates by Issuers. Therefore, a portion of the Intended Tendering Shares will not be purchased; however, Toyota Motor Corporation has stated that it will consider selling the Intended Tendering Shares that the Company is unable to acquire through this Tender Offer in the future, with the specific timing and method yet to be determined. On the other hand, Toyota Motor Corporation provided the Company with a statement that, with the exception of the Intended Tendering Shares that the Company was unable to acquire through the pro rata method, it intends to continue to hold the shares of the Company's ordinary shares that it will own after the tender offer as of the time of this announcement.

Based on the considerations and discussions above, at the Board of Directors meeting held today, the Company confirmed that the closing price of the Company's common shares on June 5, 2024, which was the business day immediately preceding the Board of Directors resolution date (June 6, 2024), was 14,255 yen, and the simple average value of the closing prices of the Company's common shares for the one-month period up to June 5, 2024, was 14,842 yen. The Company then determined that the lower of these two figures is the closing price of the Company's common shares on June 5, 2024 of 14,255 yen. With the unanimous approval of all five Directors (excluding Mr. Kazunari Kumakura) who participated in the deliberations and resolution, the Company resolved to implement the Tender Offer as the specific method of acquiring treasury shares based on the Board of Directors resolution of May 10, 2024. It was also resolved that the Tender Offer Price shall be 12,830 yen, which represents a 10% discount of the closing price of 14,255 yen on the Prime Market of the Tokyo Stock Exchange of the Company's common shares on June 5, 2024, the business day immediately preceding the Board of Directors resolution date for the Tender Offer. After the completion of the Tender Offer, the Company plans to acquire its common shares through market purchases on the Tokyo Stock Exchange during the period from August 1, 2024, to May 12, 2025, within the remaining number of shares to be acquired (10 million shares in total) under the resolution for the acquisition of treasury shares passed at the Board of Directors meeting on May 10, 2024, after deducting the number of the Company's common shares acquired through the Tender Offer.

Concerning the number of shares to be purchased in the tender offer, from the viewpoint of economic rationality due to the deviation from the price traded in the market, the Company initially expected that the number of shares to be purchased by non-Toyota shareholders in the tender offer, which will be conducted at a price discounted from the market price, would be limited. Contrary to this initial expectation, the number

of shares to be purchased in the tender offer will be 3,000,000 shares (shareholding ratio: 0.97%), which is 20% more than the number of Intended Tendering Shares of 2,500,000 shares (shareholding ratio: 0.81%), from the viewpoint of providing opportunities for other shareholders to tender their shares in the offer.

(4) Number of Share Certificates Planned for Purchase

Class of shares	Number of Share Certificates Planned for Purchase	Number of Share Certificates Planned to be in Excess	Total
Common stock	3,000,000 (shares)	—(shares)	3,000,000 (shares)

(Note 1) If the total number of Tendered Share Certificates does not exceed the planned purchase number (3,000,000 shares), the Company will purchase all of the Tendered Share Certificates. If the total number of Tendered Share Certificates exceeds the planned purchase number (3,000,000 shares), the Company will not purchase all or a part of the excess portion, and the transfer and other settlement procedures related to the purchase of share certificates, etc. will be conducted through a pro rata method as set forth in Article 27-13, Paragraph 5 of the Act and Article 21 of the Cabinet Office Order on Disclosure Required for Tender Offer for Listed Share Certificates by Issuers.

(Note 2) Even if the shares constitute less than one unit, such shares are also subject to the Tender Offer. If shareholders exercise their right to demand purchase of shares constituting less than one unit in accordance with the Companies Act, the Company may purchase its own shares during the period for purchase, etc. in the Tender Offer (hereinafter referred to as the “Tender Offer Period”), in accordance with the procedures set forth by laws and regulations.

(5) Funds Required for Tender Offer, etc.

38,507,893,000 yen

(Note) Total of the purchase cost where all of the shares planned for purchase (3,000,000 shares) are purchased, plus the estimated total of purchase handling charges and other expenses (expenses required for the public notice regarding the Tender Offer, and various expenses such as printing expenses for the tender offer statement, and other necessary documents).

(6) Settlement Method

1) Name and address of the head office of the financial instruments business operator/bank that will conduct settlement of the Tender Offer

Nomura Securities Co., Ltd., 1-13-1 Nihonbashi, Chuo-ku, Tokyo

2) Commencement Date of Settlement

July 29, 2024 (Monday)

3) Settlement Method

When the Tender Offer Period ends, a written notice for purchase, etc. via the Tender Offer will be sent by mail without delay to the address or location of any person who consents to the application for the purchase, etc., or persons who apply for the sale, etc. of share certificates in relation to the Tender Offer (the "Tendering Shareholders") (standing proxies in the case of shareholders, etc. who are residents of foreign countries and do not have an account with the tender offer agent that allows transactions (including corporate shareholders, the "Non-Japanese Shareholders")).

The purchase will be made in cash. Tendering Shareholders may receive the proceeds from the Tender Offer, after

deducting the applicable withholding tax (Note), without delay after the commencement date of the settlement by the method instructed by the Tendering Shareholders, such as remittance (there may be a remittance charge).

(Note) Regarding tax-related matters on shares purchased through the Tender Offer

* Shareholders should make their own decisions after consulting a certified tax accountant or other professional regarding any specific questions and concerns on tax matters.

(i) In the case of individual shareholders who applied for the Tender Offer, the handling of tax matters is as follows.

(a) If the Tendering Shareholders are residents of Japan or non-residents holding permanent establishments in Japan

If the amount of proceeds received through the application for the Tender Offer exceeds the amount corresponding to the attributable shares for the purchase out of the amounts of stated capital, etc. of the Company (if the price per share exceeds the amount of stated capital, etc. per share of the Company), the amount of the excess portion shall be treated as dividend, and taxed. In addition, the amount obtained by deduction of the amount deemed to be dividends out of the amount of money to be delivered by tendering in the Tender Offer shall be the income from the transfer of shares. If there is no amount deemed to be dividends (if the price per share does not exceed the amounts of stated capital, etc. per share of the Company), the entire amount to be delivered shall be the income from the transfer of shares.

The amount equivalent to 20.315% will be withheld for the amount deemed as such dividend. (The tax rate of 20.315% comprising the income tax and the Special Income Tax for Reconstruction (pursuant to the "Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake" (Act No. 117 of 2011, including subsequent revisions) (the "Special Income Tax for Reconstruction")) of 15.315% and the 5% inhabitants tax (Special collection of 5% inhabitants tax will not be made for non-residents holding permanent establishments in Japan.). Provided, however, that if the individual shareholder corresponds to a large shareholder (the "Large Shareholder") specified in Article 4-6-2, paragraph 38 of the Order for Enforcement of the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957, including subsequent revisions), the amount of 20.42% (income tax and Special Income Tax for Reconstruction only) will be withheld. In addition, when combined shares held by Tendering Shareholders receiving amounts deemed as dividends and corporations deemed as family companies under the Corporation Tax Act in the case of shareholders who serve as the basis for determining Tendering Shareholders amount to 3% or more of the total shares issued, the amount deemed to be dividends shall be subject to income taxes imposed on aggregate income.

As a general rule, the amount after deducting the acquisition cost of shares from income from the transfer of shares is subject to separate self-assessment taxation.

When applying for the Tender Offer with shares in the tax-free accounts (the "Tax-Free Accounts") provided in Article 37-14 (tax exemptions on income from transfers of small amounts of publicly-traded shares in the Tax-Free Accounts) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, including subsequent revisions), if the Tax-Free Accounts are accounts opened at Nomura Securities Co., Ltd., which is a financial instruments business operator, as a general rule, tax will be exempted on income from the transfer of shares in the Tender Offer. In the case where the Tax-Free Accounts are accounts at financial instruments business operators other than Nomura Securities Co., Ltd., the treatment may differ from the above.

(b) In the case where the Tendering Shareholders are non-residents not holding permanent establishments in Japan

For the amount deemed as dividends, the amount of 15.315% (income tax and Special Income Tax for Reconstruction only) will be withheld. In the case of applicability as a Large Shareholder, the amount of 20.42% (income tax and Special Income Tax for Reconstruction only) will be withheld. Income from such transfer of shares shall not be taxed, as a general rule.

- (ii) If the amount of proceeds received by a corporate shareholder through the application for the Tender Offer exceeds the amount corresponding to the attributable shares for the purchase out of the amounts of stated capital, etc. of the Company, the amount of the excess portion shall be treated as dividends, and taxed. As a general rule, 15.315% (income tax and Special Income Tax for Reconstruction only) of the amount deemed as dividends shall be withheld.

The amount of deemed dividends received by Tendering Shareholders who hold more than one third of the shares, etc. issued by the Company on the base date for the payment of dividends, etc., will not be taxed for income tax and special income tax for reconstruction, nor will it be withheld.

Among the Non-Japanese Shareholders, shareholders wishing to receive a reduction or exemption of income tax on such deemed dividends in accordance with the applicable tax treaty are requested to submit a registration document concerning the tax treaty together with the tender offer application form to the tender offer agent.

(7) Other

1) The Tender Offer is not carried out within the United States or aimed at the United States, directly or indirectly, or implemented using United States mail or methods or means of interstate commerce or international commerce (including but not limited to telephone, telex, facsimile, electronic mail, and internet communication) or through securities exchange facilities in the United States. Application to the Tender Offer cannot be conducted by using the aforementioned methods or means or through the aforementioned facilities or from within the United States. In addition, the tender offer registration statement and related purchase documents will not be sent or distributed by mail or by other methods in, to, or from the United States, and such dispatch or distribution may not be conducted. Applications for the Tender Offer that violate the aforementioned restrictions directly or indirectly cannot be accepted.

Any person tendering shares in the Tender Offer (standing proxies in the case of non-Japanese shareholders) may be requested to represent and warrant the following to the tender offer agent: Tendering Shareholders were not located in the United States either at the time of application for the Tender Offer or at the time of sending the tender offer application form; Tendering Shareholders did not receive or send any information (including copies) related to the Tender Offer, directly or indirectly, in, to, or from the United States; Tendering Shareholders did not use United States mail or other methods or means of interstate commerce or international commerce (including but not limited to telephone, telex, facsimile, electronic mail, and internet communication) or securities exchange facilities in the United States, directly or indirectly, for the purchase or signing and delivering the tender offer application form; and Tendering Shareholders are not acting as proxies or entrusted persons/delegates without discretionary authority for any principal (excluding cases in which the principal provides all instructions relating to the Tender Offer from outside the United States).

2) The Company has received a response from Toyota Motor, the Company's largest shareholder, that if the Company resolves to implement the Tender Offer, it will positively consider tendering 2,500,000 shares (holding ratio: 0.81%), part of the 76,600,604 shares (holding ratio: 24.67%) of the Company's common stock it holds, in the Tender Offer, which is number of shares proposed by the Company, at the Tender Offer Price proposed by the Company. As of the date hereof, the Company has received a statement from Toyota Motor that it intends to continue to hold the ordinary shares of the Company that it holds (74,100,604 shares if all Tendered Shares are purchased; a holding ratio of 23.87%) following the Tender Offer. If all Tendered Shares are purchased in the Tender Offer, Toyota Motor will continue to be the largest shareholder of the Company with 23.88% (rounded to the second decimal place) of the voting rights of ordinary shares of the Company.

3) On April 24, 2024, the Company announced its "FY2024 Consolidated Financial Results <IFRS>." An

overview of the Company's Financial Results based on the relevant announcement is as follows. The details of the announcement have not been subject to an audit by an audit firm in accordance with the provisions of Article 193-2, Paragraph 1 of the Act. See the relevant announcement for details.

Overview of FY2024 Consolidated Financial Results <IFRS>

(April 1, 2023 - March 31, 2024)

(a) Profit and loss

Accounting period	FY2024
Net sales	3,833,205 million yen
Cost of sales	2,932,058 million yen
Selling, general and administrative expenses	656,749 million yen
Other income	24,336 million yen
Other expenses	68,330 million yen
Net income attributable to owners of the parent	228,778 million yen

(b) Operating results per share

Accounting period	FY2024
Net income per share	736.86 yen
Dividend per share	240.00 yen

(c) Consolidated earnings forecast for the current fiscal year and consolidated results for the previous fiscal year

(in millions of yen)

	Net sales	Operating profit	Profit before income taxes	Profit attributable to owners of parent companies
Consolidated earnings forecast for the current fiscal year (Fiscal year ending March 2025)	3,900,000	250,000	355,000	260,000
Consolidated financial results for the previous fiscal year (Fiscal year ended March 2024)	3,833,205	200,404	309,190	228,778

Reference: Number of treasury shares as of March 31, 2024:

Total number of issued shares (excluding treasury stock): 310,477,035 shares

Number of treasury shares: 15,363,605 shares