CAPTRUST

February 8, 2023

Company	Ticker	Sector	Industry
Toyota Motor Corp. Sponsored ADR	TM-US	Consumer Discretionary	Automobiles

Business Description

Toyota Motor Corp. engages in the manufacture and sale of motor vehicles and parts. It operates through the following segments: Automotive, Financial Services, and All Other. The Automotive segment designs, manufactures, assembles and sells passenger cars, minivans, trucks, and related vehicle parts and accessories. It is also involved in the development of intelligent transport systems. The Financial Services segment offers purchase or lease financing to Toyota vehicle dealers and customers. It also provides retail leasing through lease contracts purchased by dealers. The All Others segment deals with the design, manufacture, and sale of housing, telecommunications and other businesses. The company was founded by Kiichiro Toyoda on August 28, 1937 and is headquartered in Toyota, Japan.



Investment Case - Updated: November 6, 2022

In 2020, Toyota surpassed Volkswagen as the largest light vehicle manufacturer worldwide (by units). The company was an early pioneer in the electric vehicle market, launching the well-known Prius Hybrid in 1997, which has sold over 17 million electrified units since then. Toyota has been relatively slow to embrace fully electric vehicles compared to peers GM, Ford, and Volkswagen. However, the company made several advances on that front in 2020. Toyota deepened its ties with Panasonic, hoping to develop a revolutionary solid-state battery that could vastly outperform existing lithium-ion technology. The company also announced it will release 15 new battery electric vehicles by 2025, including an SUV. Toyota aims to have an electric component in 50 percent of all its vehicle sales by 2030. These initiatives should enable the company to maintain or gain share as the worldwide transition to electric vehicles accelerates.

Disclaimer

CapFinancial Partners, LLC (dba "CAPTRUST") is a registered investment adviser. This report contains analysis/opinions as of the date of the report (subject to change without notice). This is not a recommendation to invest in an individual stock, but rather it is a summary of select data/statistics considered by CAPTRUST in making discretionary investment decisions (and may not include all relevant factors). Investing involves risk, so there is always a possibility of loss. Past performance is not a guarantee of future results. CAPTRUST (and/or associated persons) may engage in securities transactions in a manner inconsistent with the information contained herein.