

**Toyota Motor Credit Corporation (TMCC) Issues First Secured Overnight Financing Rate (SOFR) Commercial Paper Transaction**  
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PLANO, Texas, Oct. 24, 2018 /PRNewswire/ -- Toyota Motor Credit Corporation (TMCC) has issued its first Secured Overnight Financing Rate (SOFR) commercial paper transaction, demonstrating the company's commitment to innovation, and advancing its reputation as an industry leader. The three-month USD-denominated issuance raised USD 500 million from institutional investors, and represents the first non-bank SOFR-linked commercial paper transaction in the USD market.

As the financial markets' dependence on the London Interbank Offered Rate (LIBOR) declines ahead of its discontinuance post-2021, support for the SOFR as an alternative reference rate to back U.S. dollar-backed derivatives and loans continues to grow. According to Nicholas Ro, Treasury National Manager of Sales & Trading for Toyota Financial Services – the finance and insurance brand for Toyota in the United States – this transaction is an important step in the development of an alternative reference rate.

"Given TMCC's position as the largest non-bank direct U.S. commercial paper program issuer, we felt it was important to be involved early on in working with our investors," says Ro. "In order to successfully transition from LIBOR to SOFR, we need to listen to the 'voice of our customers.' Gathering investor feedback allows us to better serve our investors, and understand their views on the new reference rate. This allows us to get deeper insight into how investors feel about the alternative reference rate transition, and to determine what role TMCC can play."

TMCC is pleased with its first SOFR floating-rate commercial paper issuance, and expects it to influence positive change in an ever-evolving industry. Ro adds, "We appreciate the trust and support we have received from our investors and external product partners in making our initial SOFR transaction a success."

Having previously offered Diversity & Inclusion Bonds, as well as the auto industry's first-ever Green Bond, TMCC has once again demonstrated its ability to innovate by bringing its SOFR floating-rate commercial paper transaction to the short-term capital markets. TMCC issues USD 100 billion in U.S. commercial paper each year, and is the largest non-bank direct issuer of U.S. commercial paper.

For more information on TFS' Capital Markets programs, please visit [www.toyotafinancial.com](http://www.toyotafinancial.com).

### **About Toyota Financial Services**

TFS is the finance and insurance brand for Toyota in the United States, offering retail auto financing and leasing through Toyota Motor Credit Corporation (TMCC) and Toyota Lease Trust. TFS also offers extended service contracts through Toyota Motor Insurance Services (TMIS). Lexus Financial Services is the brand for financial products for Lexus dealers and customers. TFS currently employs approximately 3,300 associates nationwide, and has assets totaling over \$120 billion. It is part of a worldwide network of comprehensive financial services offered by Toyota Financial Services Corporation, a wholly-owned subsidiary of Toyota Motor Corporation. We announce material financial information using the investor relations section of our website ([www.toyotafinancial.com](http://www.toyotafinancial.com)) and SEC filings. We use these channels, press releases, and social media to communicate about our company, our services and other issues. While not all information we post on social media is of a material nature, some information could be material. Therefore, we encourage those interested in our company to review our posts on Twitter at [www.twitter.com/toyotafinancial](https://www.twitter.com/toyotafinancial).

For the past four consecutive years, Points of Light has named TFS one of its Civic 50, the most community-minded companies in the nation. For more information about the company's support of financial empowerment, youth development programs, and other community initiatives, please visit [www.tfsinthecommunity.com](http://www.tfsinthecommunity.com).

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