

April 2013 Sales Conference Notes

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April 2013 Sales Conference Call
Wednesday, May 1, 2013

[April 2013 Sales Conference Call \(audio\)](#)

Toyota Motor Sales Vice President of Corporate Communications Mike Michels:

Hello everyone and thank you for joining us to review Toyota's April sales.

Speaking today will be:

- Bill Fay, Group Vice President and General Manager of the Toyota Division;
- And Jeff Bracken, Group Vice President and General Manager of Lexus.

Following the call, our communications team will be available to field any additional questions you may have.

Now I'd like to turn it over to Bill for a look at April results.

Toyota Division Group Vice President and General Manager Bill Fay:

Thank you Mike...and thanks everyone for joining us today.

April Industry sales

- Just short of 1.3 million vehicles
- up almost 9 percent from last year on a volume basis

SAAR of 15 million

- 6th straight month

Looking at overall results

- two stories seem to stand out
 - Retail sales show continued growth
 - and industry having another solid truck month

That's certainly true here at Toyota.

Industry retail sales

- Topped 1 million in April

- second straight month

Retail SAAR

- More than 12 million
- Third consecutive month

We believe industry retail results

- Indicate the underlying strength of automotive market
- Good sign for the months ahead

Toyota, Lexus and Scion in April

- Total sales of 176,160
 - Flat compared to last year
- On a retail basis
 - Sales up more than 4 percent
 - Fleet sales trimmed by a third
 - Or about 8,500 units for the month
- For the year, total TMS sales are running 6 percent ahead of 2012

Toyota Division

- Sales of 158,069
- Again, flat despite the 33 percent cut in fleet sales
 - Big fleet deliveries took place in first quarter
- Toyota Division #1 retail brand in April
- Remains top retail brand YTD

Two newest models posted biggest gains

- Avalon more than doubled
 - Over 6,300 units
 - Best April since 2007
- RAV4 up 22 percent
 - Topped 18,500
 - Best April – ever

Camry continues to roll along

- Sales of more than 30,000
- 5th consecutive month above that mark

Like the rest of the industry, we also had a good truck month

- Toyota Division truck sales hit nearly 70,000
 - up 11 and a half percent

Tacoma and Tundra both posted double-digit gains

- Tacoma up almost 20 percent
- Tundra up 14 and half percent
- Sienna also continued its resurgence
 - Sales of nearly 10,000
 - Up 5 percent for the month; 15 percent for the year
- Highlander, Venza, 4Runner all showed increases

We also sold more than 25,000 Toyota hybrids during the month

- Prius family volume leader at nearly 20,000
- Avalon hybrid nearly 1,500
- Continue to own more than 60 percent of the industry's hybrid sales

Finally, Toyota Certified Used Vehicles

- Recorded its best-ever April
- More than 31,000
- Another indication of the strength of the marketplace

Looking Ahead

- April's retail results indicate
 - Still plenty of pent up demand
 - New products continue to attract attention
 - Customers taking advantage of widely available financing options
- With April increases in both consumer confidence and consumer spending
- Expect the industry to continue to outperform the general economy in the months ahead

May has always been a great time to buy a Toyota

- This year no exception
- Launching new national marketing campaign today
 - Focused on a couple of hot new products
 - Our strong core lineup
 - Value those models offer
 - Including excellent financing and lease options

And with six new or updated products being launched between now and the end of the year, we're well positioned to take advantage of continued growth in the retail market.

Thanks again for joining us today and now I'd like to turn this over to Jeff for a look at Lexus.

Lexus Group Vice President and General Manager Jeff Bracken:

Thank you Bill.

Coming off a strong March Sales event, we experienced good traffic, especially during the final 10 days of the month, to the point that April sales of 18,091 for Lexus sales were up 3.1 percent on a volume basis and 12 percent higher year to date.

Momentum continues to ride with our recently introduced products:

- LS sedan was 60 percent better than last April, and 70 percent higher year-over-year
- ES continues to be our highest-selling sedan with April sales of 5,122, an increase of 70 percent over last April and nearly double our volume versus last year to date
- A big part of the ES' success is the first-event ES hybrid which accounted for 1,237 vehicles, 25 percent of total ES sales.
- This month, our five hybrid models totaled 17 percent of Lexus' overall sales, further contributing to Lexus' position as the top luxury hybrid brand, representing approximately 2 of every 3 hybrids among all industry luxury hybrids.
- Our perennial best-seller, the RX, continues to appeal to a wide customer base, drawing 7,053 sales for April and 28,457 year-to-date. The RX remains our best seller and the most popular luxury SUV in America.

Switching over to Lexus Certified Pre-Owned, our volume of 6,111 resulted in the best April we've ever had. Month-over-month volume was up 16 percent, and year-to-date volume increased just slightly more than a percent.

Now, as you may have read a few weeks ago, we're excited about our announcement to build the ES in Kentucky on a dedicated line starting in 2015.

50,000 vehicles will be manufactured there, creating 750 new jobs. This announcement represents the latest step in our continuing strategy to build vehicles in the markets where customers live.

Coming later this summer is the new IS...various members of the media are driving the car this week in San Francisco to experience first-hand the newest member to our line-up.

Beyond its bold new design, engaging driving dynamics, innovative technology and increased interior and cargo room, we're proud to tell you we are now offering all this plus \$1400 in previously optional equipment as standard with a price reduction of 2.1 percent on the IS 350. And the IS 250 will have a starting MSRP just under \$36K.

With that, I'll open it up for Q&A. Thank you.