Toyota Motor Manufacturing (UK) Limited

Annual report and financial statements for the year ended 31 March 2025

Registered number: 02352348

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Strategic report for the year ended 31 March 2025

The directors present the Strategic report of the company for the financial year ended 31 March 2025.

Principal activities of the company

The principal activities of the company are the manufacture of motor vehicles and engines. The company assembles the Corolla hybrid vehicle model at Burnaston, East Midlands, and engines for the use in the vehicle assembly plant and for export at its engine plant in Deeside, North Wales.

Key performance indicators (KPIs)

The key performance indicators (KPI's) used are set out below.

KPI	Model	2025	2024
Sales Volume	Burnaston Corolla Hybrid	89,918	132,592
	Deeside Engines	238,009	267,712
Production Volume	Burnaston Corolla Hybrid	90,000	132,591
	Deeside Engines	243,184	258,768
		€000's	€000's
Profit before tax		40,491	167,407
Turnover		2,255,374	3,114,606
Net Liabilities		(666,757)	(808,049)

Review of the business

Sales and production volumes for both vehicles and engines declined compared to the previous year, reflecting a stabilisation of output in line with European market demand. The prior year's elevated volumes were driven by recovery efforts following global parts shortages. Despite the volume reduction, the Company delivered an operating profit, in line with Directors' expectations.

A key strategic objective was to become the global leader in Corolla and ZR engine production. This was pursued through rigorous monitoring of production KPIs, continuous improvement initiatives, and "voice of the member", creating a culture where members are encouraged to share concerns, ideas or kaizens and are heard.

The Company remains committed to its environmental goals, including achieving carbon neutrality by 2030. A significant milestone was reached in October 2024 with the ground breaking of Toyota Motor Manufacturing UK's (TMUK) first Anaerobic Digestion (AD) plant adjacent to the Deeside facility. The aim is for Deeside to be powered entirely by biomethane (a green gas, which will replace the plant's natural gas supply and reduce annual CO_2 emissions) and electricity from the AD plant by the end of FY25.

Review of the business continued

Strategic Developments

Cost reduction remained a key focus throughout the year, with contributions from members across the organisation. An actuarial loss was recognised in the pension scheme (see Note 17 for details).

Given current production volumes, Toyota Motor Manufacturing UK Burnaston (TMUKB) is operating below vehicle production capacity. In response, the Company has diversified its operations to support its philosophy of long-term employment.

The Burnaston Refurbishment and Customisation (BRC) Centre plays a central role in this strategy. It aligns with TMUK's sustainability goals by extending the lifecycle of used Toyota vehicles through refurbishment and resale. The BRC also houses the Special Vehicle Operation, where skilled members perform vehicle conversions, including livery applications and adaptations for use as vans and police vehicles. Notably, in 2024, TMUK applied livery to vehicles used at the Paris Olympics.

In December 2024, the Board announced that TMUK would become the first Toyota facility outside Japan to manufacture the GR Corolla. This prestigious project, enthusiastically received by members, supports employment, promotes diversification, and enhances workforce skills. Preparations for GR Corolla start of production in November 2026 are underway.

TMUK continues to demonstrate leadership in hydrogen technology. Following the successful build of the H2 Hilux in 2023, these vehicles were deployed at the Paris Olympic equestrian events in 2024.

International assignments for TMUK members continued throughout 2024, supporting global Toyota operations and enhancing individual skill sets. Additionally, members were involved in early-stage research and design for future vehicle projects (an area previously managed solely by Head Offices). This shift fosters member development, plant flexibility, and long-term sustainability.

Member development remains a top priority. In 2024, TMUK averaged 15.3 training days per person, underscoring its commitment to continuous learning and capability building.

Our key priority for the future is to safeguard long-term employment and stability at TMUK. With the automotive industry facing unprecedented challenges, it's more important than ever that we make the right strategic decisions to secure future business opportunities.

TMUK is no longer solely focused on mass vehicle production. Our diversification into GR model and vehicle life extension reflects our agility and commitment to evolving with industry demands. In response to tightening regulations around sustainability and materials used in production, 2025 will mark the launch of the Toyota Circular Factory at our Burnaston plant. This factory will complete careful and systematic processing of vehicles at the end of their life to maximise the environmental benefits of recycling, repurposing and remanufacturing. An exciting step forward in our journey toward a more circular economy and another example of our forward-thinking approach.

While the road ahead may be challenging due to the uncertainties of the automotive industry and infrastructure to support vehicle type, it is also filled with opportunity. TMUK remains committed to meeting consumer expectations and delivering mobility solutions for all. It's an exciting time to be part of the automotive industry.

Strategic report
for the year ended 31 March 2025 (continued)

Principal risks and uncertainties

The company sells its vehicle production to Toyota Manufacturing Europe (TME), who market and sell the vehicles. Volume, price and exchange risk are borne by the company in the normal course of the business. Part of the engine output from the engine plant is exported to Toyota group companies around the world. Purchases are primarily from other group companies at pre-agreed rates. The company bears the volume, price and exchange risks related to these transactions. Where possible, local suppliers are used to minimise risk in the supply chain, steel for example is sourced within Europe. There is also a risk of warranty claim should a product need to be recalled.

Volume and price risk management

The company's business is substantially dependent upon the sales of its vehicles in the UK and Europe. Production is made on behalf of Toyota Motor Corporation (TMC), the company's ultimate parent, and sales are made to TME, ensuring a continuous order book for the company. The European market has been affected by price increases and the move towards new technologies. The company is responding to this by increasing flexibility to accurately match supply with customer demand.

Financial risk management

The company's operations expose it to several financial risks, principally the effects of changes in exchange rates and interest rate risk. The company seeks to limit the adverse effects on the financial performance of the company by minimising its net currency exposure.

Price risk

The company is exposed to commodity price risk as a result of its operations, particularly in relation to movements in the price of steel and aluminium, which are purchased locally and the purchase of hybrid technology from TMC, in Japan. However, given the size of the company's operations, the costs of further managing exposure to commodity price risk exceed their potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Liquidity risk

The company actively maintains short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Exchange rate fluctuation

The impact of exchange rate movements on the company is managed by balancing the expected inflows and outflows in currencies other than Euros. The company limits its exposure to currency transaction costs by receiving a net payment in Euros after all currency transactions have been accounted for, a system known as Toyota Global Netting, which is run on a monthly basis.

Statement of Corporate Governance Arrangement

For the year ended 31 March 2025, under the Companies (Miscellaneous Reporting) Regulations 2018, the Company has continued to apply the Wates Corporate Governance Principles for Large Private Companies ("Wates Principles") (published by the Financial Reporting Council ("FRC") in December 2018 and available on the FRC website).

The Company has applied the Wates Principles as an appropriate frame when making a disclosure regarding corporate governance arrangements. The Company's reporting against the Wates Principles has been included below. The Company remains committed to ensuring effective governance is in place to deliver its core values, as this is the foundation on which it manages and controls its business and provides the platform for sustainable profitability.

Section 172 Companies Act 2006

The Wates Principles provide a framework for the Company to not only demonstrate how the directors make decisions for the long-term success of the Company and its stakeholders but also having regard to how the Board ensure the Company complies with the requirements of Section 172 (1) (a) to (f) of the Companies Act 2006.

The directors engage with shareholders, employees, clients and stakeholders to provide supervision and guidance, particularly with respect to corporate governance and business strategies.

The details on how the Section 172 of the Companies Act 2006 has been addressed are summarised as follows:

Section 172 (a) - The likely consequences of any decision in the long term

The Directors understand the business and the evolving environment in which the company operates. All decisions are taken with the aim of improving the success of the company for its members, internal and external stakeholders and environment in the long term. While mass production volume of our Corolla is below our plant capacity the board have made the strategic decision to diversify our business into value chain and micro mobility, growing our onsite livery business and supporting Global Toyota with ad hoc projects outside of Japan.

The Directors study the market, infrastructure and government regulations in order to make the correct strategic decisions for the long term future of TMUK. The long term goal of TMUK is to retain and grow skill level so we can build higher volumes in mass production once again in the future.

Section 172 (b) - The interests of the company's employees

At TMUK, we refer to our employees as "members" and consider them our most important asset. The Directors recognize the importance of keeping members informed and regularly provide updates. All decisions made by the Directors are in the best interest of our members. Our philosophy is to support long-term employment in a safe environment, following the direction from our global head office, Toyota Motor Corporation (TMC), to generate "Happiness for All."

See website for full TMC report:

https://global.toyota/pages/global_toyota/ir/library/annual/2024_001_integrated_en.pdf

Section 172 (b) - The interests of the company's employees (continued)

Member Engagement and Communication

Group Management: The plants are organized into several groups managed by Group Leaders. Each group is offered at least one Management Face-to-Face meeting per year, providing members the opportunity to ask Directors, Company representatives and Senior Management team questions on matters that concern them.

Business Updates: The Company holds three Business Updates per year across both plants, where production stops, and all members are invited to join the presentation. These updates cover the Company's current situation, business context, and future plans.

Union Collaboration and Member Welfare: The board works closely with the members' union Toyota Member Advisory Board (TMAB) to ensure members' interests and opinions are shared and listened to. Members' pay reviews are negotiated with TMAB annually, considering the members' standard of living and long-term employment.

Opinion Surveys: The Company conducts an opinion survey at least every two years to gather member feedback. This feedback is considered when making strategic decisions for the company

Diversity, Equity, and Inclusion (DE&I): We prioritize Diversity, Equity, and Inclusion, sharing guidelines and training our Supervisors on DE&I material.

Learning and Development: In 2024, 57 team members participated in the training program to become Team Leaders, 29 Team Leaders trained to become Group Leaders, 38 graduates and industrial placements were employed, and 33 apprentices completed their training and transferred to permanent employment.

Please refer to our code of conduct and dignity at work policy to see in more detail how we prioritise the interests of members

https://www.toyotauk.com/toyota-in-the-uk/our-people/code-of-conduct

https://www.toyotauk.com/toyota-in-the-uk/our-people/dignity-at-work

Section 172 (c)The need to foster the Company's business relationships with suppliers, customers and others

The board believes in developing mutually beneficial long-term relationships based on mutual trust with all suppliers. All the company's vehicle and engine customers are intra-group. To foster that trust, we pursue close and wide-ranging communication to share our knowledge and enhance our business relationships. The board requires our suppliers and contractors to operate in accordance with Toyota's Code of Conduct and comply with all applicable laws and regulations in the countries in which they operate.

More recently, as the automotive industry faces increasingly challenging operating conditions, Toyota has worked with suppliers to investigate cost and environmental improvements. For example, we have supported suppliers and local SMEs in decarbonizing and reducing energy costs through workshop training and process observation. One local supplier has already identified £40,000 savings through the activity.

Section 172 (d) The impact of the Company's operations on the community and environment

Having a positive relationship with the community and environment is critical to Toyota. For over 30 years, Toyota has maintained a good relationship with the local community and is considered a "good neighbour" by the local parishes. This relationship is sustained through open and honest communication on matters that impact them, facilitated by Community Liaison Committee (CLC) meetings held twice a year. If matters arise outside of these meetings that are of interest, CLC members are invited to discuss them. In 2024, for example, local representatives were invited to the site to discuss plans to increase the quantity of solar panels on TMUKB land.

For the environment, Toyota has set a goal to be carbon neutral by 2030. The Deeside plant is on course to achieve this with the construction of the Anaerobic Digestion (AD) plant, which began in October 2024. By November 2026, Deeside's electricity and gas will be completely green and supplied by the AD site.

For more information, on Toyota and the environment https://www.toyotauk.com/environment/ and the charitable trust please visit: https://www.toyotauk.com/the-toyota-charitable-trust/

Section 172 (e) The desirability of the Company maintaining a reputation for high standards of business conduct

The board's decisions consider the company's code of conduct, which can be found on the company website, https://www.toyotauk.com/toyota-in-the-uk/our-people/code-of-conduct and details how the company maintains a reputation for high standards of business conduct.

By following the DNA set out in Toyota philosophy below TMUK is able to maintain high standards of business:

- We unite as one team regardless of rank in order to contribute to our people, society, and communities.
- We develop and learn from outstanding ideas and cutting-edge technologies across the world. We enhance our capabilities utilizing our own wisdom and create new value to continue to lead the change
- We focus on work that is value-adding, with integrity and practicality by avoiding superficial matters
- We build a sense of community and promote the personal growth of our people while valuing mutual trust and equal partnership with our stake holders
- We show humility for the support of our business by our valued stakeholders and society while also respecting the diversity of the world

See website for full TMC report

https://global.toyota/pages/global_toyota/ir/library/annual/2024_001_integrated_en.pdf

Section 172 (f) The need to act fairly between members of the Company

All courses of action are taken with all stakeholders in mind. Decisions that directly affect the members of the company are discussed with the Toyota Members' Advisory Board (TMAB).

Toyota's 'people' philosophy provides each and every employee with growth opportunity and fulfilling, stable employment. Toyota believes that this can be best achieved by securing long-term prosperity for the company. All decisions made by the Directors and Senior Management team have this philosophy in mind. This thinking way extends to our relationship with our suppliers and contractors.

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Wates principle 1 – Purpose and leadership

Toyota's founder, Kiichiro Toyoda, once said, "Rather than simply making automobiles, we must create a domestic automobile industry through the intellect and skills of the Japanese people." Accordingly, the Company was not established simply to manufacture automobiles. Rather, it was also founded to realize the ideals of "producing happiness for all" and "building a better future." At present, Toyota is taking on the challenge of making a "full model change" that will transform it into a mobility company.

TMUK uses this direction when deciding their purpose locally.

The board meets annually to confirm the main purpose and priorities for the year through the Hoshin process. This strategic planning method helps align the company's goals with its long-term vision. The themes identified are then shared with all Senior Managers, and detailed Hoshin action plans are developed and agreed upon to achieve these goals. TMC and TME Hoshin will be used as reference to ensure we are aligned with our Head Offices.

Throughout the year, the Hoshin action plan is reviewed regularly to ensure that the year's purpose is being followed and that the company remains on track to meet its objectives.

Wates principle 2 – Board composition

The board are selected for their experience and knowledge. Members of the board will have completed international assignments to give them the experience necessary to be an effective leader. Job role and placement will be determined by requirements of the role and the Director's skill set.

During the year, Darius Mikolajczak was the Director for TMUK for FY24. Dariusz joined Toyota in 2000 and was promoted to President of Toyota Motor Manufacturing Poland in 2020. He was appointed as TMUK Director in July 2024.

Wates principle 3 – Director responsibilities

The board is responsible for all aspects of managing the business. In addition to ad hoc meetings, the board meets bi-monthly for the Business Update Review Meeting (BURM). The purpose of these meetings is to review the financial status of the company, operating performance, emerging risks, and key developments in all business areas. The board is supported by a Senior Management Team, with Line Directors reporting on relevant topics during the BURM.

The board also maintains a strong relationship with our global head office in Japan. They visit Toyota Motor Corporation (TMC) at least once per year to discuss key items and business strategy.

Additionally, the board supports numerous visits from TMC to TMUK to showcase our business diversification as we navigate the evolving automotive industry.

The directors are dedicated to making decisions that promote the long-term success of TMUK, ensuring a safe and supportive environment for all members.

Wates principle 4 – Opportunity and risk

A board should promote the long-term success of the company by identifying opportunities to create and preserve value and establishing oversight for the identification and mitigation of risks.

The risks of the company are considered at group (TME) level through the Business Update Review Meeting, as described in integrity of information above, and the TME risk committee. The TME risk committee carry out an annual activity whereby they ask all European plants to make a study of risks to their plant and business condition. The principal risks of the Company are set out in the strategic report parts 2 to 3.

Wates principle 5 - Remuneration

A board should promote executive remuneration structures aligned to the sustainable long-term success of a company, taking into account pay and conditions elsewhere in the company. Board remuneration including salary, bonus and benefits are established, reviewed and approved by TME.

Wates principle 6 – Stakeholder relationship and engagement

Stakeholder engagement is important to the company and the company has a diverse group of stakeholders. Exchanges of information happen on a regular basis as the actions of stakeholders can have an effect on the company.

The Board are made aware of the needs and requirements of these stakeholders through regular discussions with the departments who have the contact with the stakeholders. Any concerns are raised and the Board acts to ensure that feedback is built into future decision making.

Stakeholder	Engagement
Toyota Motor Corporation (TMC):	The board maintains a close relationship with TMC, visiting at least once per year to share the year's milestones, strategic plans, and future challenges. Additionally, the board supports TMC executive visits to TMUK multiple times a year. TMC looks to TMUK to ensure adherence to the global Toyota philosophy and to learn from our unique business model.
Toyota Motor Europe (TME):	The board meets with TME executives at least bi-monthly during the BURM review, as described in Principle 3. This regular interaction ensures alignment and effective collaboration on strategic initiatives.
Customer Relationships:	Customer relationships are managed by TME and Toyota Great Britain (TGB). TMUK supports these efforts by handling warranty discussions or investigations that require input from the TMUK QA warranty team.
Local Community Engagement:	Details of our relationship with the local community are described in Section 172(d). We prioritize building strong connections and contributing positively to the community.
Government Relationships:	Government relationships are managed by the Toyota London office. TMUK works closely with the London office to ensure compliance with all applicable rules and regulations

For more information on Toyota Motor Europe see below website:

https://www.toyota-europe.com/sustainability

Strategic report
for the year ended 31 March 2025 (continued)

Non-Financial and Sustainability Information Statement

UK Mandatory Climate- Related Financial Disclosures

Governance

a) a description of the governance arrangements of the company in relation to assessing and managing climate-related risks and opportunities

Toyota's global policy and environmental management's fundamental approach aims to reduce the environmental footprint and contribute to the sustainable development of society and the world, throughout all areas of business activity. Building close, cooperative relationships with a wide spectrum of individuals and organisations involved in environmental preservation.

Climate related risks and opportunities are overseen at a Global level and not at TMUK local entity level.

At a global level, to ensure effective strategy formulation and implementation in line with latest societal trends, important climate-related issues, as they arise, are reported to the Toyota Motor Corporation (TMC) Board of Directors.

The Board of Directors conducts the following duties:

- Deliberate and supervise strategies, major action plans, and business plans.
- Monitor the progress toward qualitative and quantitative targets addressing climate-related issues.

Monitoring is performed in consideration of the financial impact of the following risks and opportunities, which may turn into climate-related issues:

- Risks and opportunities related to products, such as fuel efficiency or emission regulations.
- Risks and opportunities related to low-carbon technology development.

These governance mechanisms are used in formulating long-term strategy, including the Toyota Environmental Challenge 2050, and in formulating and reviewing the short, medium & long-term targets and action plans.

This approach provides the framework for the cascade of global strategy into regional, functional and entity level activity (including TMUK). Within TMUK it is the Directors who are responsible for implementing these various strategies with the support of relevant function General Managers.

Risk management

(b) a description of how the company identifies, assesses, and manages climate-related risks and opportunities

TMC identifies, assesses and manages all risks, including climate change, based on a company-wide risk management system called Toyota Global Risk Management Standard (TGRS) that covers all risks related to global corporate activities.

Risks are assessed based on "magnitude of impact" and "vulnerabilities" and the timing of anticipated occurrences is noted to clarify the substantive financial or strategic impact on business.

- Magnitude of impact – Calculation for risk assessment is rated on a five point scale for each of the following factors: "finance", "reputation", "violation of laws and regulations" and "business continuity".
- Vulnerabilities - Assessed on the two elements of the "current status of countermeasures" and "probability of occurrence".

Frequency of risk management activity is described in section c) below.

c) a description of how processes for identifying, assessing, and managing climate-related risks are integrated into the company overall risk management process

Risks by region, function (manufacturing, sales, etc.), and product are assessed using TGRS.

At the meetings of the Carbon Neutral (CN) Strategy Subcommittee and Sustainability Subcommittee, which members from relevant divisions gather, climate-related risks and opportunities are identified/ assessed/ managed, and countermeasures are examined.

In these meetings the following matters are discussed, and the response status is monitored and reviewed by the divisions in charge and relevant officers at the respective committees.

- CN Strategy Subcommittee: Discuss the status of efforts related to fuel economy regulations and procurement, direct operations such as CO2 emission regulations for plants, logistics, and other non-production locations, as well as water risks.
- Sustainability Subcommittee: Determine the relevance of initiatives in consideration of issues related to promoting sustainability and external stakeholders.

Meetings of the above committees are held about four times a year with the participation of Executive- or General Manager-level members of relevant divisions, such as technology, environment, finance, purchasing, production, and sales. Through examinations by these committees, the risks are assessed multiple times a year.

Important risks and opportunities that require prompt response are reported to the Board of Directors Meeting one by one for response measures to be determined.

<u>Strategy</u>

(d) a description of:-

- *the principal climate-related risks and opportunities arising in connection with the operations of the company, and*
- *the time periods by reference to which those risks and opportunities are assessed.*

A summary of Toyota's climate risk and opportunity analysis can be found in Table 1 on page 16.

Climate change presents a wide range of risks and opportunities over a period of time. Risk periods are defined as:

Short-term (up to end 2025) – Aligned to 7th Toyota Environmental Action Plan

Medium-term (by 2030) – 2030 Milestone, validation and approval by SBTi*5

Long-term (by 2050) – Target year for Toyota Environmental Challenge 2050 *(e) a description of the actual and potential impacts of the principal climate-related risks and opportunities on the business model and strategy of the company*

Toyota strives to identify the various risks and opportunities that will arise from environmental issues, takes action while continuously confirming the validity of strategies such as the Toyota Environmental Challenge 2050 and works to enhance its competitiveness.

Take measures to respond to changes associated with climate change that may have various impacts on Toyota's business.

In accordance with the above understanding, we have identified particularly significant climate change risks in line with the "Toyota Global Risk Management Standard (TGRS)" risk management process based on the degree of impact and stakeholders' interest.

The acceleration of climate change may pose risks to Toyota's business, but if we can respond appropriately, this will lead to enhanced competitiveness and the acquisition of new business opportunities.

A summary of Toyota's climate risk and opportunity analysis including the potential business impacts and Toyota's strategic response can be found in Table 1 on page 16

(f) an analysis of the resilience of the business model and strategy of the company, taking into account consideration of different climate-related scenarios;

Substantial changes brought about by climate change and associated policies of various countries to the automobile industry and the entire mobility society will present both risks and opportunities to Toyota globally. To test resilience of developed strategies, scenario analysis has been completed.

Have applied the 1.5°C scenario (using multiple scenarios) when considering the external environment in 2030 in terms of transition risks and opportunities. Completing detailed impact assessments on climate change risks identified in the TGRS.

Under the 1.5°C scenario, there will be a global increase in the introduction of renewable energy (electricity and carbon-neutral fuels*2), which will amplify the role of electrified vehicles (especially ZEVs), while the speed and types of renewable energy (solar, wind, bio, other) will vary by country and region. With a substantial rise in the ratio of ZEVs in new car sales in some countries and regions, and focused efforts in others to promote the use of carbon neutral fuels, it will be necessary for Toyota to offer products (vehicles) that are tailored to the distinct needs of each market.

Risk analyses on physical risks under the 4°C scenario will be based on future forecasts for 2050 and 2090. There are growing concerns that society's climate change measures may be inadequate, leading to the increased possibility of suspended production due to more frequent and severe natural disasters, such as floods. With production cuts and stoppages due to disruptions in supply chains.

<u>Metrics & Targets</u>

(g) a description of the targets used to manage climate-related risks and to realise climate-related opportunities and our performance against our target

Toyota globally believes that setting multiple metrics to comprehensively manage climate-related risks and opportunities is important as a measure for adaptation to and mitigation of climate change.

The metrics include not only the amount of GHG emissions, but also other elements deeply related to climate change, such as energy, water, resource recycling, and biodiversity.

Targets have been set on these indicators and are systematically promoted as "Six Challenges" through initiatives in six areas.

Long Term Strategy (2050) Target : Toyota Environmental Challenge 2050 (see table below)

Medium Term Strategy (2030) Target : 2030 Milestone, validation and approval by SBTi (see table below)

Short Term Strategy (2025) Target : The 7th Toyota Environmental Action Plan (see page 15 for TMUK's activities in this area)

(h) the key performance indicators used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and a description of the calculations on which those key performance indicators are based

Target	Medium Term	Long Term
Life Cycle Zero CO2 Emissions Challenge	Reduce GHG emissions by 30% by 2030	Achieve CN for GHG throughout the life cycle by 2050
New Vehicles Zero CO2 Emissions Challenge	Reduce average GHG emissions by more than 50% from new vehicles by 2035	Achieve CN for average GHG emissions from new vehicles by 2050
Plant Zero CO2 Emissions Challenge	Achieve CN for CO2 emissions from production plants by 2035	Achieve zero CO2 emissions from production plants by 2050
Challenge of minimising and optimising water usage	Minimise water usage and implement water discharge management (local conditions)	
Challenge of establishing a recycling based society and systems	Promote global deployment of End-of-Life vehicle treatment and recycling technologies and systems	
Challenge of establishing a future society in harmony with nature	Contribute to biodiversity conservation activities in collaboration with NGOs and others	

TMUK Performance

TMUK remains steadfast in its commitment to the Toyota Environmental Challenge 2050, with the vision of achieving a net-positive impact on the planet. As global environmental issues become increasingly urgent—ranging from climate change and water scarcity to the depletion of natural resources and biodiversity loss—TMUK continues to strengthen its response through innovation, collaboration, and long-term planning.

This year, TMUK has further embedded the six key challenges of the Environmental Challenge 2050 into its operations. Building on its sustainable plant strategy, the site has made notable progress by integrating innovative environmental technologies and enhancing employee engagement in continuous improvement activities. Environmental Kaizens from across all levels of the organisation have contributed to tangible reductions in energy use, waste generation, and carbon emissions.

In support of the Challenge's goals, TMUK has focused on the following key areas:

Target	Activity
Life Cycle Zero CO2 Emissions Challenge	TMUK has developed and implemented Energy Workshops as part of its broader environmental strategy. These workshops are offered through the Toyota Lean Manufacturing Centre (TLMC) to a variety of external suppliers. By sharing TMUK's expertise in energy management and lean principles, the workshops support other organisations in identifying waste, improving energy efficiency, and lowering carbon emissions. Extending the impact of Toyota's environmental philosophy beyond its own facilities.
Plant Zero CO2 Emissions Challenge	In 2024, TMUK's partner The Circular Economy Developments Limited (TCED) broke ground on a new anaerobic digestion (AD) facility adjacent to the Deeside engine plant. Once operational, the plant will process food and agricultural waste to generate biomethane, replacing the site's reliance on fossil gas. This move is expected to reduce the plant's CO_2 emissions by approximately 2,900 tonnes per year, marking a major step towards achieving zero carbon emissions in manufacturing. The project also includes the use of by-product compost to support local agriculture, demonstrating TMUK's commitment to local environmental stewardship and the circular economy.
Challenge of establishin g a recycling based society and systems	Last year, TMUK made further progress in waste reduction by focusing on practical, on-site improvements to minimise material loss and enhance resource efficiency. Initiatives included : • Introduction of granulation for injection-moulded bumper sprues, allowing the plastic to be reprocessed and reused rather than discarded. • Managing defected rocker components. Scrapping only the defective rocker in a mismatched pair, with the remaining component matched and reused. Reducing unnecessary waste. • The introduction of new paint sludge bags, improving water drainage, resulting in a noticeable reduction in the weight and volume of paint sludge waste sent off-site.
Challenge of establishin g a future society in harmony with nature	TMUK always aim to operate "In Harmony with Nature" through habitat restoration of the green spaces on site. Creating a network on wildflower meadows, hedgerows and woodlands around the factory to create corridors for wildlife throughout the site. The ecology of this network, termed the "Green Grid" after the factory's layout, is monitored weekly through spring and summer. The results are very encouraging with species such as pollinating insects increasing in both diversity and abundance every year. This in turn attracts other animals such as bats, birds and mammals to utilise the site.

Alongside the Toyota Environmental Challenge 2050, we set the Toyota Environmental Action Plan (EAP) every five years to provide a clear medium-term roadmap for achieving our long-term environmental goals. We are currently in the seventh revision of this plan, with target dates set for 2025. In 2024, TMUK made significant progress towards its targets and concluded the year approximately 14.4% below the planned CO_2 reduction goal. TMUK remains committed to continuous improvement and has now launched the eighth EAP, setting ambitious and forward-looking targets through to 2030, with a renewed focus on driving deeper CO_2 reductions and long-term sustainability.

Strategic report
for the year ended 31 March 2025 (continued)

Table 1

<table>
<tr><th colspan="3">Major Risks</th><th>Time Frame</th><th>Impact Level</th><th>Key Opportunities</th><th>Business Strategic Response</th></tr>
<tr><td colspan="7">Transition Risks</td></tr>
<tr><td rowspan="3">Electrification (Response to changes in regulations and actual demand)</td><td>Increase in BEV production costs</td><td>• Increased investment in required equipment / facilities and development
• Increased costs associated with promoting electrification</td><td rowspan="3">Medium term</td><td rowspan="3">High</td><td rowspan="3">• Increased customer engagement through the battery and peripheral energy management businesses</td><td rowspan="3">• Promotion of research and development to improve fuel and electrical performance
• Expanded investment in batteries and resource shift
• Expanded lineup of electrified vehicles
• Adoption of a multi-pathway strategy to quickly and flexibly adapt to regulatory changes</td></tr>
<tr><td>Return on investment</td><td>• Difficulty in recovering investments due to sudden changes in regulations
• Not able to achieve expected volume of sales, even with increased production</td></tr>
<tr><td>Delays in increasing BEV production</td><td>• Fines for not being in compliance with fuel efficiency regulations
• Lower sales due to delays in compliance with ZEV regulations</td></tr>
<tr><td>Scarcity and rising costs of resources (Difficulty in procuring raw materials)</td><td colspan="2">• Escalating material shortage and scarcity due to delays in resource development amidst rising demand for BEVs
• Risk of inability to procure optimal resources due to delays in investment decisions on BEVs</td><td>Medium term</td><td>High</td><td>• Securing resources by promoting the 3Rs for batteries
• Maintaining the volume of sales of electrified vehicles other than BEVs by increasing the sales of PHEVs</td><td>• Securing supply from partners
• Collaboration with partners on joint research
• Development of diverse next-generation battery technologies
• Advancements in combustion technology and development of engines capable of reducing CO2 emissions</td></tr>
<tr><td rowspan="2">Introduction of renewable</td><td>Regional variations in the availability of renewable energy</td><td>• Slow and stagnant sales due to delays in the development of vehicles and technologies tailored to local energy conditions</td><td rowspan="2">Medium to long term</td><td rowspan="2">Medium</td><td>• Sales of BEVs and carbon-neutral fuelled vehicles that meet regional demand</td><td rowspan="2">• Vehicles - Promote development to improve fuel efficiency and electrical cost performance
• Fuels - Develop technologies and collaborate with other companies on carbon-neutral fuels and hydrogen
• Power management - Promote the use of renewable energy and power management technologies and businesses</td></tr>
<tr><td>Continuously elevated prices for renewable energy</td><td>• Accelerated shift away from car ownership due to increased manufacturing costs and energy prices</td><td>• Increased sales of fuel-efficient vehicles and expansion of renewable energy businesses</td></tr>
<tr><td colspan="7">Physical Risks</td></tr>
<tr><td>Increase in frequency and severity of natural disasters</td><td colspan="2">• Damage to production sites due to floods, storm surges, droughts and other extreme weather events, and production shutdowns due to disruptions in supply chains</td><td>Short to long term</td><td>Low</td><td>• Provision of solutions to address natural disasters (i.e., vehicles designed to be resistant to disasters, emergency power sources, mapping information)</td><td>• Ongoing revisions for BCPs based on disaster experiences</td></tr>
</table>

Definition Of Impacts: High : Significant Global. Medium : Regional / Local Business. Low : Regional / Local Business minor impact
(BEV – battery electric vehicle; ZEV – zero electric vehicle; 3 R's – Recycle, Reduce, Rebuild / Reuse; BCP – business continuity plan)

Strategic report
for the year ended 31 March 2025 (continued)

Approved by the Board and signed on its behalf by

D Mikolajczak
Managing Director
24 November 2025

Directors' report for the year ended 31 March 2025

The directors present their annual report and audited financial statements of the company for the financial year ended 31 March 2025. The company's future developments and details on the company's research and development activities are set out on pages 19 and 20.

Results and Dividends

The income statement shows a profit after tax for the financial year of €48m.The directors do not propose the payment of a dividend (2024: €nil).

Directors

The following directors held office during the year and up to the date of signing the financial statements (all resident in the UK unless stated):

Mr D Mikolajczak	(appointed 1 July 2024)
Mr R Kenworthy	(appointed 1 January 2021) (resigned 30 June 2024)
Mr K Takagi	(appointed 30 January 2023) (resident in Belgium)
Mr P Ochs	(appointed 30 January 2023) (resident in Belgium)
Mr S Thompson	(appointed 1 January 2024)

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity, which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. TME also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of the company and its directors.

Going concern

To assess the appropriateness of the going concern basis of preparation, the Directors have prepared a detailed liquidity analysis covering the period to 31 March 2027 (the "going concern period").

The Company's forecasts and projections take account of reasonably possible changes in trading performance due to parts supply, including under a number of cash flow scenarios and stress tests. The reasonably possible changes in trading performance include a severe, but plausible, downside scenario; a month-long shut down due to the unavailability of parts.

The liquidity analysis assumes continued availability of financing facilities provided by Toyota Motor Europe NV/SA ("TME"), the Company's immediate parent company. TME is both the main supplier and customer of the Company and acts as an internal bank for the European subsidiaries of Toyota Motor Corporation ("TMC"), providing general funding and day-to-day working capital under cash pooling arrangements. Accordingly, there is no material cash held by the Company - all balances are 'swept' to a minimal balance at the end of each month. Further information on the Company's financing position is given in note 13, - Creditors: amounts falling due within one year.

Directors' report
for the year ended 31 March 2025 (continued)

The Company continues to be dependent on funding from its immediate parent company, TME. The Directors have received a letter of support from that entity, committing to provide financial assistance to enable the Company to meet its liabilities as they fall due for at least 12 months from the date these financial statements are approved, including access to funds under cash pooling arrangements.

In assessing the supporting entity's financial ability to honour this support, the Directors are aware that in order to have that ability, TME is dependent on financial support from TMC and in this respect TME has also received its own confirmation of funding arrangements from TMC. The letter covers the period of at least 12 months from the date of these financial statements are approved.

In conclusion, the directors have a reasonable expectation that the company has access to adequate financial and other resources available to continue in operational existence for the foreseeable future. Accordingly, the directors believe that it is appropriate that these financial statements are prepared on a going concern basis.

Creditor payment policy and practice

The company agrees terms and conditions under which business transactions with suppliers are conducted. It is company policy to ensure that suppliers know the terms on which payment will take place when business is agreed. It is company policy that provided a supplier is complying with the relevant terms and conditions, including satisfactory supply of goods and services and the prompt and complete submission of all specified documentation, payment will be made according to the agreed terms and conditions.

Health and safety

The company continues to place safety at the centre of all activities and drives for continuous improvement in health and safety year on year. Annual improvement activities and challenging targets are fully integrated into the company's annual planning process.

Charitable and political donations

During the year to 31 March 2025, the company made charitable donations amounting to a total of €1,122,773 (2024: €732,648). These donations comprised €6,541 (2024: €9,829) donated to charities involved in conserving the environment and promoting environmental preservation and awareness, €190,846 (2024: €185,127) donated to charities involved in medical, health and human service research and €1,025,386 (2024: €537,692) donated to local charities involved in a range of activities within the local communities surrounding Burnaston and Deeside.

No payments were made to political parties (2024: €nil).

Research and development

It is a company policy that management and engineering actively pursue technical and product innovations and development, not only to implement manufacturing process innovation, but also to meet customers' changing requirements and develop new market opportunities.

Throughout the year, we have continued to develop our processes with the aim of ensuring the highest possible quality and productivity while responding to customer demand.

Future developments

Following the continued successful sales of Corolla in Europe, it is expected that the company will continue to produce the vehicle for European destinations throughout the model life. Taking advantage of the success of the hybrid drivetrain and the enhancements offered by the TNGA (Toyota New Global Architecture) platform, investigations into additional Corolla customisations are ongoing, with an aim to secure volume and margin over the vehicle lifespan.

At the same time, the post-production parts business for UK destination Toyota imports has continued to grow and it is anticipated that this business will continue to expand over the coming years. More recently, the scope of our activity expanded to used vehicle refurbishment and this area of the business continues to grow.

People with disabilities

Applications for employment from people with disabilities are always fully considered, bearing in mind the respective aptitudes of the applicant concerned. In the event of members developing disabilities every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that their training, career development and the promotion should, as far as possible, be identical to that of a member who does not suffer from a disability.

Toyota environmental management

The company aims to be a leader in manufacturing environmental performance through minimising environmental impacts from our operations. Our Toyota Environmental Management System aims to achieve this by:

- Complying with environmental regulations,
- Minimise the environmental risk from our operations,
- Continually improve our environmental performance.

Top Management responsibility for the System is designated to an Environmental Management Representative (Director level) supported by an Environment Function managed by a General Manager.

The Toyota Environmental Management System was independently verified by UTAC Ceram on 1-3 April 2025 for Burnaston Vehicle Plant and 28 – 29 April 2025 for Deeside Engine Plant to the following standards:

- ISO14001 : 2015 Environmental Management Systems (certified to 8 May 2027)
- ISO50001 : 2018 Energy Management Systems (certified to 8 May 2027)

An independent verification of our carbon monitoring and reporting required by our Greenhouse Gas Emissions Permit was conducted by Lucideon, and our reported emissions were verified as Satisfactory on 13 March 2025.

Directors' report
for the year ended 31 March 2025 (continued)

Energy and carbon reporting

Energy consumption and Green House Gas emissions

Scope	Type	Item	Year ended 31/03/25		Year ended 31/03/24	
			Energy Use (MWh)	CO_2e Emission (t)	Energy Use (MWh)	CO_2e Emission (t)
Scope 1	Stationary	Natural Gas	80,577	14,738	90,838	16,617
		Acetylene (Welding)		0.16		0.26
		Coating VOC		378		338
		Gas Oil		15		6.4
	Mobile	Diesel		0.1		-
		Petrol		8.5		13.3
		Propane		-		-
Scope 2	Electricity	Grid	77,458	16,037	85,099	17,623
		Solar	6,310	1,307	6,924	1,434
Scope 3	Indirect	Company Car Fuel		231		236
		Production Vehicle Fuel Fill		1,334		1,950
		Logistics Fuel		788		882
Total Carbon Emissions	Location Factors	Total CO_2e		34,837		39,100

To be read in conjunction with the detailed methodology on next page.

CO_2 intensity ratio

		Year ended 31/03/2025	Year ended 31/03/2024
kg CO_2e / €(000) turnover	Based on Location Factors	15.45	12.55

Methodology used

This report is undertaken in accordance with HM Government Guidance on Environmental Reporting Guidelines: Including streamlined energy and carbon reporting (March 2020).

The methodology used to prepare our energy and Greenhouse Gas (GHG) emission inventory is detailed in the World Resources Institute:

- Greenhouse Gas Emission Protocol: A Corporate Accounting and Reporting Standard (Revised Edition).
- Greenhouse Gas Protocol Scope 2 Guidance.

These standards are adopted in our own internal GHG reporting standard to create an energy and emission inventory for our Scope 1 (direct GHG emissions), Scope 2 (indirect GHG emissions) and Scope 3 (other indirect emissions). For scope 2 emissions a location based reporting method is used unless otherwise stated.

The methodology used to establish the energy consumption scope is detailed in the Energy Savings Opportunity Scheme and adopted into our Toyota Environmental Management System procedures. Energy consumption figures included in this report excludes energy consumption that is not purchased by the company or is re-billed to on-site tenants.

For purchased green energy the carbon emissions use a market based allocation method and are not included in the energy and carbon reporting and are provided as additional information in the narrative on energy efficiency actions.

In the period covered by this report the Environment Function continued to plan and co-ordinate energy efficiency improvements and CO2 emission reductions led by a dedicated energy group.

From 31st March 2024 to 31st March 2025 we have observed a 10.9% reduction in our CO_2 emissions. This shows our strong kaizen on energy baseload reduction, and we are committed to challenging this further.

Capital investment and improvements (kaizen) made by our members focused on the introduction of new technology, improving process control and reducing non-production energy through for example improving process equipment switch off. Example of some key achievements are tabulated below.

Energy reduction kaizen item	Annual Saving	
	Electric	Gas
Plastics GPL Building to Spray Booth Heat Recovery	-	436,940 kWh
Paint Heat recovery from RTO Exhaust to Pretreatment	-	3,509,490 kWh
Weld A-Line Shut down	122,640 kWh	816,607 kWh
Plastics Line 1 Parts to GPL	769,079 kWh	3,332,176 kWh
Paint RTO Fan Speed Reduction	561,600 kWh	-

Toyota Motor Manufacturing (UK) Limited

Directors' report
for the year ended 31 March 2025 (continued)

In the period covered by the report the company has purchased a green electricity tariff backed by Renewable Energy Guarantees of Origin (REGOs) with an equivalent CO_2 emission reduction for its supplied grid electricity.

Directors' responsibilities statement

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board and signed on its behalf by

D Mikolajczak
Managing Director
24 November 2025

Independent auditors’ report to the members of Toyota Motor Manufacturing (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Toyota Motor Manufacturing (UK) Limited’s financial statements:

- give a true and fair view of the state of the company’s affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 “Reduced Disclosure Framework”, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the “Annual Report”), which comprise: the Balance Sheet as at 31 March 2025; the Profit and loss account, the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC’s Ethical Standard, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC’s Ethical Standard were not provided.

We have provided no non-audit services to the company in the period under audit.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing and challenging the Directors' going concern assessment including consideration of cashflow forecasts, in a base case and a downside scenario, over the going concern period;
- Validating that the company has access to the necessary funding which the Directors have forecast that the company may require during the going concern period. This has included reviewing the in house banking commitment and letter of support issued by the company's immediate parent, TME; and
- Validating whether the support providing entity, TME, is likely to have the ability to honour the support committed to the company throughout the going concern period. Where that ability has been found to be dependent on ongoing financing by the ultimate global parent, TMC, we have further considered the evidence of that financing arrangement being in place.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors’ responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors’ responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to environment, health and safety and regulations related to the manufacture of motor vehicles, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as taxation and the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent journal entries and management bias in key accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Enquiring of management, including consideration of known or suspected instances of fraud and non-compliance with laws and regulation;
- Identification and testing of a sample of journal entries determined to show higher risk characteristics, including those which involve unusual account combinations; and
- Challenging assumptions and estimates made by the directors in preparing aspects of the accounts which has included assessing for potential bias and agreeing estimates to supporting evidence.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Daniel Brew (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
25 November 2025

Toyota Motor Manufacturing (UK) Limited

Profit and loss account
for the year ended 31 March 2025

	Note	2025	2024
		€'000	€'000
Turnover	4	**2,255,374**	3,114,606
Cost of sales		**(2,161,916)**	(2,889,387)
Gross profit		**93,458**	225,219
Administrative expenses		**(22,666)**	(25,132)
Operating profit	5	**70,792**	200,087
Finance income	8	**4,895**	7,296
Finance costs	8	**(35,196)**	(39,976)
Finance costs – net	8	**(30,301)**	(32,680)
Profit before taxation		**40,491**	167,407
Tax on (loss)/profit	9	**7,689**	7,652
Profit for the financial year		**48,180**	175,059

All the operations in the financial year and the comparative financial year were continuing and there were no acquisitions in either year.

The notes on pages 32 to 67 are an integral part of these financial statements.

Toyota Motor Manufacturing (UK) Limited

Statement of comprehensive income for the year ended 31 March 2025

	Note	**2025** €'000	2024 €'000
Profit for the financial year		**48,180**	175,059
Other comprehensive (expense) items that will not be reclassified to profit or loss:			
Remeasurement of pension scheme	17	**93,112**	(4,546)
Other comprehensive income/(expense) for the financial year		**93,112**	(4,546)
Total comprehensive income for the financial year		**141,292**	170,513

There is no deferred tax effect on the remeasurements of pension scheme as no deferred tax assets are recognised, this is discussed further within note 9.

The notes on pages 32 to 67 are an integral part of these financial statements.

Toyota Motor Manufacturing (UK) Limited

Balance sheet as at 31 March 2025

	Note	2025 €'000	2024 €'000
Fixed assets			
Tangible assets	10	**271,368**	**268,150**
Right of use assets		**1,208**	**2,036**
		272,576	**270,186**
Current assets			
Stocks	11	**131,749**	**125,379**
Debtors	12	**186,387**	**172,144**
Cash at bank and in hand		**420**	**5,120**
Total Current Assets		**318,556**	**302,643**
Creditors: amounts falling due within one year	13	**(1,159,271)**	**(1,195,884)**
Net current liabilities		**(840,715)**	**(893,241)**
Total assets less current liabilities		**(568,139)**	**(623,055)**
Creditors: amounts falling due after more than one year	14	**(654)**	**(1,136)**
Provisions for liabilities	15	**(51,804)**	**(52,473)**
Pension schemes liabilities	17	**(46,160)**	**(131,385)**
Net liabilities		**(666,757)**	**(808,049)**
Capital and reserves			
Called up share capital	16	**362,231**	**362,231**
Profit and loss account		**(1,028,988)**	**(1,170,280)**
Total shareholders' deficit		**(666,757)**	**(808,049)**

The notes on pages 32 to 67 are an integral part of these financial statements. The financial statements on pages 28 to 31 were approved by the board of directors on 24 November 2025 and were signed on its behalf by:

D Mikolajczak
Managing Director
24 November 2025

Toyota Motor Manufacturing (UK) Limited

Statement of changes in equity for the year ended 31 March 2025

	Note	Called up share capital	Profit and loss account	Total share-holders' deficit
		€'000	€'000	€'000
At 1 April 2023		**362,231**	**(1,340,793)**	**(978,562)**
Profit for the financial year		-	175,059	175,059
Other comprehensive expense for the financial year:				
Remeasurement of pension scheme	17	-	(4,546)	(4,546)
Total comprehensive income for the financial year		-	170,513	170,513
At 31 March 2024		**362,231**	**(1,170,280)**	**(808,049)**
Profit for the financial year		-	48,180	48,180
Other comprehensive expense for the financial year:				
Remeasurement of pension scheme	17	-	93,112	93,112
Total comprehensive income for the financial year		-	141,292	141,292
At 31 March 2025		**362,231**	**(1,028,988)**	**(666,757)**

The profit and loss account represents accumulated comprehensive income and expenses for the financial year and prior years.

The notes on pages 32 to 67 are an integral part of these financial statements.

1 General information

The company manufactures and sells motor vehicles and engines. All sales are to fellow Toyota companies. The products are manufactured predominately for the European market, with some sales to Africa.

The company is a private company, limited by shares and is incorporated and domiciled in the UK. The company is registered in the East Midlands, England with manufacturing plants at Burnaston, Derbyshire and at Deeside, Wales. The address of its registered office is:

Toyota Motor Manufacturing (UK) Limited
Burnaston
Derby
DE1 9TA

The company's registered number is 02352348.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

The financial statements of Toyota Motor Manufacturing (UK) Limited have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and have been prepared in accordance with the requirements of the Companies Act 2006.

The financial statements have been prepared under the historic cost convention or historic cost modified by, for example, revaluation of financial assets and financial liabilities held at fair value through profit and loss (as applicable).

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 119(a) to (c), 123, 125 and 126 of IFRS 15 'Revenue from Contracts with Customers'.
- The requirements of paragraphs 52 of IFRS 16 'Leases' to disclose information about its leases in a single note.
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  (i) paragraph 79(a)(iv) of IAS 1;
  (ii) paragraph 73(e) of IAS 16 Property, plant and equipment

2 Summary of significant accounting policies (continued)

a) **Basis of preparation (continued)**

- The following paragraphs of IAS 1, 'Presentation of financial statements':

  – 10(d) (statement of cash flows);
  – 16 (statement of compliance with all IFRS);
  – 38A (requirement for minimum of two primary statements, including cash flow statements);
  – 38B-D (additional comparative information);
  – 111 (cash flow statement information); and
  – 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned members of a group.
- The requirements of paragraphs 134(d) to 134(f) of IAS 36 'Impairment of Assets.

b) Going concern

To assess the appropriateness of the going concern basis of preparation, the Directors have prepared a detailed liquidity analysis covering the period to 31 March 2027 (the "going concern period").

The Company's forecasts and projections take account of reasonably possible changes in trading performance due to parts supply, including under a number of cash flow scenarios and stress tests. The reasonably possible changes in trading performance include a severe, but plausible, downside scenario; a month-long shut down, due to the unavailability of parts.

The liquidity analysis assumes continued availability of financing facilities provided by Toyota Motor Europe NV/SA ("TME"), the Company's immediate parent company. TME is both the main supplier and customer of the Company and acts as an internal bank for the European subsidiaries of Toyota Motor Corporation ("TMC"), providing general funding and day-to-day working capital under cash pooling arrangements. Accordingly, there is no material cash held by the Company - all balances are 'swept' to a minimal balance at the end of each month. Further information on the Company's financing position is given in note 13, - Creditors: amounts falling due within one year.

The Company continues to be dependent on funding from its immediate parent company, TME. The Directors have received a letter of support from that entity, committing to provide financial assistance to enable the Company to meet its liabilities as they fall due for at least 12 months from the date these financial statements are approved, including access to funds under cash pooling arrangements.

2 Summary of significant accounting policies (continued)

b) Going concern (continued)

In assessing the supporting entity's financial ability to honour this support, the Directors are aware that in order to have that ability, TME is dependent on financial support from TMC and in this respect TME has also received its own confirmation of funding arrangements from TMC. The letter covers the period of at least 12 months from the date of these financial statements are approved.

In conclusion, the directors have a reasonable expectation that the company has access to adequate financial and other resources available to continue in operational existence for the foreseeable future. Accordingly, the directors believe that it is appropriate that these financial statements are prepared on a going concern basis.

c) Format of the profit and loss account

The profit and loss account is presented in accordance with Format 2 of Schedule 1, Part 1, of the Large and Medium-sized Companies and Groups (Accounts and Reports) Reputations 2008, classifying expenses by type, as this format best reflects the company's results.

d) Foreign currency translation

- *Functional and presentation currency*

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Euros (€), which is also the company's functional currency.

- *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured at an average exchange rate between Euros and Sterling of 1.1893 (average for the year ended 31 March 2024: 1.1563) and a closing exchange rate of 1.2105 (31 March 2024: 1.1675). Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in cost of sales in the profit and loss account.

e) Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied in the normal course of business, stated net of Value Added Tax and other sales taxes or duty. All the company's business relates to the manufacture of motor vehicles, motor vehicle engines and parts. All turnover is to fellow Toyota companies.

The company recognises turnover when its performance obligation has been satisfied and, for the company, this is when the goods have been transferred to the customer and the customer has control of these. Turnover related to vehicle production is recognised at the point in time when the completed vehicle is accepted by the group sales and marketing company at the end of the production line. Turnover on engine and engine component parts sales is recognised at a point in time, depending on the terms and conditions of the supply contract, either on despatch or when accepted by the receiving group entity.

Receivables are settled twice monthly.

2 Summary of significant accounting policies (continued)

f) Tangible fixed assets

Tangible fixed assets are stated at original cost less accumulated depreciation. Cost includes the original purchase price of the asset and costs attributable to bringing the asset to its working condition for its intended use. All additions are initially treated as 'Manufacturing plant under construction'; once the asset is put into economic operation, it is re-classified into the appropriate asset class.

g) Depreciation

Provision for depreciation is made on all tangible and lease financed fixed assets, other than freehold land which is not depreciated. The assets are depreciated on a straight line basis at rates calculated to write off the cost evenly over their expected useful economic lives, commencing when the assets were first brought into use.

The depreciation method used reflects as fairly as possible the pattern in which the assets' economic benefits are consumed, as follows:

- Freehold buildings 20 years
- Plant and machinery 5-15 years
- Fixtures and fittings 5-15 years
- Motor vehicles 3 years

Assets held within 'Manufacturing plant under construction' are not depreciated until they are brought into use.

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. Any change is accounted for prospectively over the remaining useful economic life of the relevant asset. See note 10 for the carrying amount of the property plant and equipment.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in administrative expenses in the profit and loss account.

2 Summary of significant accounting policies (continued)

h) Impairment of non-financial assets

Non-financial assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

i) Impairment of tangible assets

At each balance sheet date, the company reviews the carrying amounts of its tangible assets as included in cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of fair value less costs to sell and value in use. Any impairment loss is recognised immediately as an expense. The identification of impairment triggers and subsequent impairment testing could result in a material change in the valuation of tangible assets.

This review has been completed for this year and there were no indication that assets have suffered an impairment loss.

j) Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate.

Right of use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Restoration costs

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2 Summary of significant accounting policies (continued)

k) Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

l) Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument. The company does not apply hedge accounting.

Financial assets

The classification depends on the purpose for which the financial assets were acquired. It depends on the company's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition. The company classifies its financial assets in the following categories:

a) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows, and
- The contractual terms give rise to cash flows that are Solely Payments of Principal and Interest (SPPI).

b) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading, and which the company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the company considers this classification to be more relevant.
- Debt securities where the contractual cash flows are Solely Payments of Principal and Interest (SPPI) and the objective of the company's business model is achieved both by collecting contractual cash flows and selling financial assets.

2 Summary of significant accounting policies (continued)

I) Financial instruments (continued)

c) Financial assets at fair value through profit or loss

The following financial assets are classified at fair value through profit or loss (FVPL):

- Debt investments that do not qualify for measurement at either amortised cost (see note (a) above)
- Equity investments that are held for trading, and
- Equity investments for which the company has not elected to recognise fair value gains and losses through Other Comprehensive Income (OCI).

The company's financial assets include cash at bank and in hand, amounts owed by group undertakings, trade debtors and other receivables. The company classifies all its financial assets at amortised cost as those assets are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest. The company does not factor any debt.

Initial recognition and measurement

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the company commits to purchase or sell the asset). All financial assets are recognised initially at fair value.

Subsequent measurement

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. However, as the company classifies all its financial assets at amortised cost, they are all measured at amortised cost. Interest income from these financial assets is included in Finance income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in cost of sales together with foreign exchange gains and losses. Impairment losses would be presented as a separate line item in the profit and loss account if material.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Trade debtors, amounts owed by group undertakings and other receivables

Trade debtors and amounts owed by group undertakings are amounts due from customers and fellow group undertakings for goods sold performed in the ordinary course of business. Other receivables represent amounts due from members under the Managers' Car Scheme or Members' Car Plan whereby members are given the opportunity to purchase a car with payment deferred, see note 12. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade debtors, amounts owed by group undertakings and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade debtors.

2 Summary of significant accounting policies (continued)

l) Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Financial liabilities

The company's financial liabilities include trade payables, amounts owed to group undertakings (loans and other), other creditors, lease liabilities and accruals.

Initial recognition and measurement

The company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value, and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement

Financial liabilities are measured at amortised cost, unless a standard requires them to be measured at fair value through profit or loss, or the company has opted to measure a liability at fair value through profit or loss.

Derecognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Trade payables, amounts owed to group undertakings - other

Trade payables and amounts owed to group undertakings – other are obligations to pay for goods that have been acquired in the ordinary course of business from suppliers, customers and fellow group undertakings. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Amounts owed to group undertakings - loans

Loans are recognised initially at fair value, net of any transaction costs incurred. Loans are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent that there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2 Summary of significant accounting policies (continued)

l) Financial instruments (continued)

Other creditors

Other payables largely relate to amounts owed to members' payroll. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. They are paid monthly in arrears.

m) Impairment of financial assets

The company assesses, at the end of each reporting period, whether there is objective evidence that a financial asset or group of financial assets is impaired.

The company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade debtors, amounts owed by group undertakings and other receivables have been grouped based on shared credit risk characteristics and the days past due.

n) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis or average method of valuation, including, where appropriate, factory overheads, transport and duty costs based on normal levels of activity. Net realisable value is based on estimated selling price in the normal course of business after allowing for the costs of realisation. Provisions are made where necessary for obsolete and slow moving stock.

o) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

p) Borrowings

Borrowings are initially recognised at fair value, adjusted for any transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

q) Warranty

The company offers warranty cover in respect of manufacturing defects which become apparent following purchase. A provision is recognised for expected warranty claims based on past experience of the level of actual warranty claims received and model life cycle evolution. Further amounts are provided for any product recalls where specific items are identified.

2 Summary of significant accounting policies (continued)

r) Government grants

Government grants are assistance by the Government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government assistance is action by the Government designed to provide an economic benefit specific to the Company.

Government grants are recognised once there is reasonable assurance both that the entity will comply with any conditions and that the grant will be received. Grants from the Government and other bodies relating to costs are deferred and recognised in profit or loss within other operating income over the period necessary to match them with the costs that they are intended to compensate. Grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income, and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

At the balance sheet date there are no unfulfilled conditions or contingencies attaching to Government grants that have been recognised.

s) Current and deferred income tax

The tax expense for the year comprises current and deferred tax.

Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

2 Summary of significant accounting policies (continued)

t) Current and deferred income tax (continued)

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

u) Employee benefits – Pension schemes

The company operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

- *Defined benefit plan*

Defined benefit plans typically define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The asset / liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit surplus / obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to shareholders' funds in other comprehensive income in the period in which they arise.

The amount charged or credited to finance costs is a net interest amount calculated by applying the liability discount rate to the net defined benefit liability or asset.

Past-service costs are recognised immediately in the profit and loss account.

Any pension scheme surplus, to the extent recoverable through either refunds or reduced contributions, or deficit, is recognised in full.

The defined benefit scheme was closed to future accrual on 31st March 2021.

2 Summary of significant accounting policies (continued)

v) Employee benefits – Pension schemes (continued)

- *Defined contribution plan*

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. For defined contribution plans, the company pays contributions to privately administered pension insurance plans. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

w) Offsetting

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

x) Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the company. They are items that are material either because of their size or their nature, or because they are nonrecurring and are considered to be exceptional items. They are presented within the line items to which they best relate.

y) New standards, amendments, IFRIC interpretations and new disclosure requirements

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2025 have had a material impact on the company.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a) Judgement - Deferred tax assets

The recognition of the deferred tax assets is dependent on there being sufficient probably future taxable profits against which the assets could be utilised. The company has not recognised deferred tax assets on tax losses and other timing differences in the current year which is consistent with prior year. Given the level of uncertainty in the current economic environment and the uncertainty this creates for medium term taxable profit forecasts, management continues to consider it appropriate not to recognise these deferred tax assets.

b) Judgement - Impairment

The directors have formed a judgement as to whether there is an indicator of impairment over tangible fixed assets. The directors' initial assessment identified a potential impairment indicator in the form of future planned tailpipe emissions restrictions on sale of new vehicles in certain territories into which the company currently sells. In response this was examined in further detail to understand the dynamic between the timing of the planned legislation and the remaining useful economic life of the assets employed by the company. It has been concluded that, owing to the respective timing of events, this future planned legislation was considered not to constitute an impairment indicator and hence a full impairment analysis has not been performed. The directors will keep this judgement under close review at each subsequent reporting period in response to any changes in external events or conditions.

c) Judgement - Warranty

The company provides a warranty for the vehicles for manufacturing defects. Provision for warranty is provided for specific periods of time and the amount will vary depending on type of vehicle. The company includes the standard provision as a component of cost of sales at the time the sale is recognised. Product recalls are charged to administrative expenses where they relate to prior year production.

The accrued standard warranty costs represents management's best estimate of the total cost the company will incur to repair or replace parts that fail while still under warranty. The amount of the accrued warranty cost is based on historical experience of part failures as well as current information on repair costs. The amount of warranty cost accrued also contains an estimate of warranty claim recoveries to be received from suppliers.

The amount of accrued warranty also includes product recalls. These consider the cost (labour and materials) to remediate the specific fault and the number of vehicles expected to be remediated. These recalls are now outside of the active recall window and are deemed to be immaterial.

d) Estimate - Defined benefit pension scheme

The company has an obligation to pay pension benefits to members who are part of the scheme. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation/asset in the balance sheet. The assumptions reflect historical experience and current trends. See note 17 for the disclosures of the defined benefit pension scheme

4 Turnover

Analysis of turnover by category:

	2025	2024
	€'000	€'000
Sales of vehicles	1,939,228	2,804,053
Sales of engines and other components	316,146	310,553
	2,255,374	3,114,606

All turnover is to fellow Toyota companies. All turnover originates from UK manufacturing operations and materially all turnover arises in the UK.

Notes to the financial statements for the year ended 31 March 2025 (continued)

5 Operating profit

Operating profit is stated after charging/(crediting)

	2025	2024
	€'000	€'000
Depreciation of owned tangible fixed assets	**47,320**	43,802
Depreciation of right of use assets		
Plant and machinery	**688**	947
(Profit)/loss on sale of fixed assets	**(548)**	7,769
Inventory recognised as an expense	**1,612,749**	2,248,092
Increase of impairment of inventory (included in cost of sales)	**1,395**	1,398
Auditors' remuneration:		
Audit fees for the company	**316**	309
Net amount of foreign exchange losses	**5,235**	3,214

The total cash outflow for leases in the financial year was €724,065 (2024: €1,005,000) Expenses relating to short term leases and low value assets are not material.

The reversal and increase of impairment of inventory reflect changes in the estimate based on the expected usage of spares stock.

There were no exceptional items in 2025 (2024 : Nil)

There were no non-audit services provided by the auditor in the current or prior year.

6 Member costs

	2025	2024
	€'000	€'000
Wages and salaries	**133,343**	125,912
Social security costs	**18,125**	15,472
Other pension costs (note 17)		
Defined benefit plan, excluding impact of foreign exchange	**1,968**	1,586
Defined contribution plan	**20,979**	19,707
	174,415	162,677

The average monthly numbers of members (including executive directors) employed by the company during the year was:

	2025	2024
By activity:	**Number**	Number
Production	**2,226**	2,152
Administration	**494**	498
	2,720	2,650

7 Directors

The directors' emoluments were as follows:	**2025**	2024
	€'000	€'000
Aggregate emoluments of the directors (excluding pension contributions)	**682**	387

Retirement benefits are accruing to 0 (2024: 1) directors under a defined contribution pension scheme.

	2025	2024
	€'000	€'000
Pensions paid to former directors	**113**	105

The aggregate accrued pension of the directors at the end of the year was €116,000 per annum (2024: €110,000 per annum).

Highest paid director

The highest paid director's emoluments were as follows:	**2025**	2024
	€'000	€'000
Aggregate emoluments of the highest paid director (excluding pension contributions)	**500**	387

8 Finance income and costs

	Note	2025	2024
Finance income		**€'000**	€'000
Interest in respect of loans to group undertakings		**4,895**	7,296
Total finance income		**4,895**	7,296

	Note	2025	2024
Finance costs		**€'000**	€'000
Interest expense in respect of loans from group undertakings		**(28,467)**	(33,980)
Interest expense in respect of lease liabilities		**(279)**	(250)
Net expense on pension scheme	17	**(6,450)**	(5,746)
Total finance costs		**(35,196)**	(39,976)
Net finance costs		**(30,301)**	(32,680)

No material amount of borrowing costs have been capitalised in the current or prior financial year.

9 Tax on profit

Analysis of credit for the financial year

Tax credit income included in the profit and loss account	**2025**	2024
	€'000	€'000
Corporation tax at 25% (2024: 25%):		
Current year	**1,614**	13,636
Prior year adjustment in respect of group relief claimed	**(9,303)**	(21,288)
Current tax credit for the financial year	**(7,689)**	(7,652)
Deferred tax	**-**	-
Total tax on profit	**(7,689)**	(7,652)

Tax expense included in other comprehensive expense	**2025**	2024
	€'000	€'000
Current tax	1,614	13,636
Deferred tax	-	-
Total tax expense included in other comprehensive income/(expense)	1,614	13,636

9 Tax on profit (continued)

Factors affecting the total tax credit for the financial year

The tax credit assessed for the financial year is lower (2024: lower) than the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

	2025	2024
	€'000	€'000
Profit before taxation	**40,491**	167,407
Profit before taxation multiplied by standard rate in the UK of 25% (2024: 25%)	**10,123**	41,852
Effects of:		
Tax losses not recognised	**(325)**	(13,636)
Expenses not deductible for tax purposes	**9**	6
Prior year adjustment in respect of group relief claimed	**(9,303)**	(21,288)
Capital allowances in excess of depreciation for which no deferred income tax asset was recognised	**(7,913)**	(10,703)
Other timing differences for which no deferred income tax was recognised	**(280)**	(3,883)
Total tax credit for the financial year	**(7,689)**	(7,652)

9 Tax on profit (continued)

Deferred tax

The deferred tax assets and liabilities provided and unprovided, calculated on the liability method at a rate of 25% (2024: 25%) are as follows:

	2025		2024	
	Gross Un-recognised	**Tax impact Un-recognised**	Gross Un-Recognised	Tax impact Un-recognised
	€'000	**€'000**	€'000	€'000
Accelerated capital allowances	90,791	**22,698**	103,820	25,955
Losses	831,243	**207,811**	873,203	218,301
Pension deficit	46,160	**11,540**	131,385	32,846
Deferred tax asset	968,194	**242,049**	1,108,408	277,102

The recognition of the deferred tax assets is dependent on there being sufficient probable future taxable profits against which the assets could be utilised. The company has not recognised deferred tax assets on tax losses and other timing differences in the current year which is consistent with prior year. Given the level of uncertainty in the current economic environment and the uncertainty this creates for medium term taxable profit forecasts, management continues to consider it appropriate not to recognise these deferred tax assets.

Factors affecting future tax liabilities

The tax rate for the current year is 25% which is the same as the prior year rate of 25%.

Future profits will be taxed at the main rate of corporation tax.

The Company has applied the temporary exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as detailed in amendments to IAS 12 issued by the IASB in May 2023.

10 Tangible assets

	Freehold land and buildings	Manufact-uring plant under construction	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Cost						
At 1 April 2024	282,513	16,753	1,264,744	9,130	69,363	1,642,503
Additions	-	21,157	-	-	67,760	88,917
Transfers	(40)	(18,517)	17,273	303	981	-
Disposals	(3)	-	(8,901)	(84)	(46,370)	(55,358)
At 31 March 2025	**282,470**	**19,393**	**1,273,116**	**9,349**	**91,734**	**1,676,062**
Accumulated depreciation						
At 1 April 2024	244,144	-	1,111,508	8,824	9,877	1,374,353
Provided in the year	1,077	-	34,397	152	11,694	47,320
Disposals	1,260	-	(12,178)	(88)	(5,973)	(16,979)
At 31 March 2025	**246,481**	**-**	**1,133,727**	**8,888**	**15,598**	**1,404,694**
Net book amount						
At 31 March 2025	**35,989**	**19,393**	**139,389**	**461**	**76,136**	**271,368**
At 31 March 2024	38,369	16,753	153,236	306	59,486	268,150

At each balance sheet date, included in freehold land and buildings, is land valued at €32,602,000 (2024: €32,602,000) which is not subject to depreciation. €1,328,123,000 (2024: €1,227,865,000) of fully depreciated assets are still in use. No external valuation has been performed on freehold land and buildings. The directors estimate that the fair value of tangible fixed assets, including land and buildings, materially equates to their carrying value. €25,611,000 (2024: €25,720,000) of assets have been retired from active use and not classified as held for sale in accordance with IFRS 5 'Non-current assets held for sale and discontinued operations'.

No material amount of borrowing costs have been capitalised in the current or prior financial year.

No indicators of impairment have been identified through the company's annual exercise.

11 Stocks

	2025	2024
	€'000	€'000
Raw materials and consumables	**108,052**	108,739
Work in progress	**11,073**	10,655
Finished goods and goods for resale	**12,624**	5,985
	131,749	125,379

There is no material difference between the replacement cost of stock and the amounts stated above.

Stock is stated after provisions for impairment of €22,248,400 (2024: €20,853,000).

12 Debtors

	2025	2024
	€'000	€'000
Amounts owed by group undertakings	**183,646**	166,126
Prepayments and accrued income	**3,063**	5,813
Other receivables	**(322)**	205
	186,387	172,144

All amounts owed by group undertakings are payable on demand, unsecured and incur no interest except for vehicle sales. Interest on vehicle sales is calculated using Euribor 1 month interest rates.

13 Creditors: amounts falling due within one year

	2025	2024
	€'000	€'000
Trade payables	17,160	20,172
Amounts owed to group undertakings:		
Loans	784,384	803,198
Other	231,277	244,028
Taxation and social security	49,753	66,823
Other creditors	18,449	19,546
Lease liability	797	1,093
Accruals and deferred income	57,451	41,024
	1,159,271	1,195,884

All amounts owed to group undertakings are payable on demand, unsecured and incur no interest except for loans separately disclosed above. Loans are repayable to the parent company, TME, within one year. An ongoing facility of €1,204,000,000 (2024: €1,115,000,000) is available to the company. All loans are denominated in Euros. They are unsecured and interest is charged based on Euro short term rate (published by European central bank).

At 31 March 2025, the company had undrawn amounts on its loans from group undertakings of €331,000,000 (2024: €533,000,000).

Contractual maturities - Lease liability	2025	2024
	€'000	€'000
Less than 6 months	436	586
6-12 months	381	535
Total contractual cash flows	817	1,121
(Less): Interest accruing	(20)	(28)
Carrying amount	797	1,093

14 Creditors: amounts falling due after more than one year

	2025	2024
	€'000	€'000
Lease liability	**654**	1,136
	654	1,136

Contractual maturities – Amounts owed to group undertakings: loans

There are no loans falling due after more than one year owed to group undertakings at 31 March 2025.

Contractual maturities - Lease liability	**2025**	2024
	€'000	€'000
Between 1 and 2 years	**411**	570
Between 2 and 5 years	**299**	690
More than 5 years	**-**	-
Total contractual cash flows	**710**	1,260
(Less): Interest accruing	**(56)**	(124)
Carrying amount	**654**	1,136

15 Provisions for liabilities

	Warranty €'000	Total €'000
At 1 April 2024	52,473	52,473
Additions to profit and loss	4,953	4,953
Unused amounts reversed to profit and loss	(1,206)	(1,206)
Amounts utilised	(4,416)	(4,416)
At 31 March 2025	**51,804**	**51,804**

Warranty

The company offers warranty cover in respect of manufacturing defects which become apparent following purchase. A provision of €51,804,000 (2024: €52,473,000) has been recognised for expected warranty claims. Included in the above is €25,023,000 (2024: €27,829,000) in respect of product recalls relating to airbags fitted to vehicles produced and €1,380,000 (2024: €1,403,000) relating to ECUs fitted to vehicles produced.

Normal warranty claims are expected to be settled within the next three years based on past experience of the level of actual warranty claims received and model evolution. Warranty claims in respect of the ongoing product recalls are expected to be settled over a longer period, as these recalls are open ended.

16 Called up share capital

	2025 €'000	2024 €'000
Allotted and fully paid		
300,000,000 (2024: 300,000,000) ordinary shares of £1 each	**362,231**	362,231

There were no transactions affecting share capital in the current or prior year. Share capital was translated at the historical rate of 1.2074 and is not subject to revaluation.

17 Pension schemes assets and liabilities

The company operates a number of pension schemes for its members.

i) Defined benefit scheme

The company operates a defined benefit pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company in a trustee-administered fund. On 1 April 2013 the defined benefit scheme was closed to new members joining the company. On 31st March 2021, the defined benefit scheme was closed to future accrual for all members.

The scheme is operated for the company and the members of the UK branch of its immediate parent, TME. As such, the schemes share the risk between entities under common control. The split of the benefit payments and expenses is based on information from the 5th April 2024 funding valuation. Based on this data the split of the liabilities of the plan is 93.3% TMUK and 6.7% TME. The apportionment in the figures between TMUK and TME are as follows :

- The plan liabilities and assets are split 93.3% to TMUK and 6.7% to TME
- The split of benefit outlay and expenses are based on proportion of the Plan's funded liabilities, 93.3% TMUK and 6.7% TME
- The liabilities in relation to the unfunded pension arrangements of three former employees are entirely allocated to TMUK. This is the same approach as in previous years.

The scheme pensions are updated in line with the Retail Price Index for current members and the Consumer Price Index for deferred members.

Plan assets held in the fund are governed by local regulations and practice in the UK. Responsibility for the governance of the plan, including investment decisions and contribution schedules, lies with the Trustees of the scheme.

The company ensures that the investment positions are managed within an asset-liability matching ("ALM") framework that has been developed to achieve long-term investments that are in line with the obligations under the pension scheme. Within this framework, the company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency (GBP).

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The company has not changed the processes used to manage its risks from previous periods and investments are well diversified.

A large portion of assets consist of equities and bonds, although the company also invests in property and cash. The company believes that equities offer the best returns over the long term with an acceptable level of risk.

Valuations are carried out every three years using appropriate valuation methods, and an independent actuary determines the rate of contributions required. The actuarial valuation of the company's pension plan used was that carried out at 5 April 2024.

17 Pension schemes assets and liabilities (continued)

i) Defined benefit scheme (continued)

A qualified independent actuary updated the results of the most recent actuarial valuation to 31 March 2025. Liabilities have been calculated using a consistent projected unit valuation method and compared to the plan's assets at the 31 March 2025 market value.

The risks of the scheme are as follows:

a) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to corporate bond yields: if plan assets underperform this yield, this will create a deficit. The plan holds a significant proportion of equities, which are expected to outperform corporate bonds in the long-term while providing volatility and risk in the short term.

As the plans mature, the company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

b) Changes in bond yields

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

c) Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in the life expectancy will result in an increase in the plan's liabilities.

d) Foreign exchange risk

The scheme assets are held and liabilities arise in GBP. As the pension scheme is in a net deficit position, a strengthening of GBP against the Euro would lead to a loss on foreign exchange.

e) Inflation risk

The pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The majority of the plan's assets are either unaffected by (in the case of fixed interest bonds) or loosely correlated with (in the case of equities) inflation, meaning that an increase in inflation will also increase the deficit.

17 Pension schemes assets and liabilities (continued)

i) Defined benefit scheme (continued)

Principal actuarial assumptions

Based on actuarial advice, the financial assumptions used to calculate the scheme are:

	31 March 2025	31 March 2024
Inflation – Retail Price Index (RPI)	**2.95%**	3.05%
– Consumer Price Index (CPI)	**2.65%**	2.75%
Discount rate	**5.75%**	4.85%
Assumed rate of increase of salaries including inflation at NI% (2024: nil%)	**0%**	0%
Assumed rate of increase of pensions in payment	**2.90%**	3.00%

The mortality assumptions used were as follows:	**31 March 2025 Years**	31 March 2024 Years
Longevity at age 65 for current pensioners (current age 65) :		
Male	**21.1**	21.1
Female	**24.8**	24.8
Longevity at age 65 for future pensioners (current age 45) :		
Male	**23.0**	23.1
Female	**26.1**	26.2

The valuation assumes that mortality will be in line with standard tables adjusted to reflect the expected experience of the scheme membership based on analysis carried out for the 5 April 2024 funding valuation. A specific allowance for anticipated future improvements in life expectancy is also incorporated.

17 Pension schemes assets and liabilities (continued)

i) Defined benefit scheme (continued)

Reconciliation of scheme assets and liabilities	Assets €'000	Liabilities €'000	Total €'000
At 1 April 2024	614,278	(745,663)	(131,385)
Benefits (paid)/received	(24,924)	24,924	-
Employer contributions	3,799	-	3,799
Current service cost	-	(386)	(386)
Administrative expenses	(1,582)	-	(1,582)
Death in service	(385)	385	-
Interest income/(expense)	29,790	(36,240)	(6,450)
Foreign exchange gains/(losses)	21,622	(24,889)	(3,267)
Remeasurement (losses)/gains	(64,659)	157,770	93,111
At 31 March 2025	**577,939**	**(624,099)**	**(46,160)**

The equity investments and bonds which are held in plan assets are valued at their current bid prices.

17 Pension schemes assets and liabilities (continued)

i) Defined benefit scheme (continued)

Sensitivity of defined benefit scheme to changes in principal assumptions

The sensitivity of the defined benefit scheme to changes in the weighted principal assumption is:

Impact on defined benefit obligation

	Change in assumption	Increase in assumption €'000	Decrease in assumption €'000
Discount rate	+/- 0.1%	(9,684)	9,684
RPI	+/- 0.1%	4,842	(4,842)
CPI	+/- 0.1%	6,053	(6,053)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unity credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised on the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Profit and loss account charge by nature of expense

Total cost recognised as an expense:	**2025**	2024
	€'000	€'000
Current service cost	**385**	126
Administrative expenses	**1,583**	1,460
	1,968	1,586
Net interest expense	**6,450**	5,746
	8,418	7,332

17 Pension schemes assets and liabilities (continued)

i) Defined benefit scheme (continued)

Remeasurement gains/(losses)	**2025**	2024
	€'000	€'000
Gains from changes in demographic assumptions	**23,979**	2,824
Gains from changes in financial assumptions	**100,892**	17,619
Experience gains on liabilities	**30,094**	7,543
Experience (losses) on assets	**(64,659)**	(21,391)
Experience gain / (losses) on inflation being higher than expected	**2,806**	(11,141)
	93,112	(4,546)

Summary of fair value of the plan assets	**2025 Quoted €'000**	**2025 Unquoted €'000**	**2025 Total €'000**
Equity instruments	**116,355**	**-**	**116,355**
Debt Instruments	**265,477**	**-**	**265,477**
Private Market	**-**	**105,769**	**105,769**
Property	**-**	**86,639**	**86,639**
Cash	**-**	**3,699**	**3,699**
	381,832	**196,107**	**577,939**

	2024 Quoted €'000	2024 Unquoted €'000	2024 Total €'000
Equity instruments	142,604	-	142,604
Debt instruments	293,050	-	293,050
Private Markets	-	95,094	95,094
Property	-	76,745	76,745
Cash	-	6,785	6,785
	435,654	178,624	614,278

17 Pension schemes assets and liabilities (continued)

i) Defined benefit scheme (continued) The assets do not include any of the company's own financial instruments or property connected with the company.

Return on the scheme assets

	2025	2024
	€'000	€'000
Interest income on plan assets	**29,790**	28,844
Remeasurements	**(64,659)**	(21,391)
Total return on plan assets	**(34,869)**	7,453

At the last funding valuation, the company has agreed with the trustees that the contributions for the next ten years will be increased to €303,208 (2024: €297,706) per calendar month. The total contributions expected or incurred to be made to the scheme by the company in the year to 31 March 2026 is €3,638,496 (2025: €3,572,471).

Virgin Media

In June 2023, the High Court judged that amendments made to the Virgin Media scheme were invalid because the scheme's actuary did not provide the associated Section 37 certificate necessary. The High Court's decision could have had wide ranging implications, affecting other schemes that were contracted-out on a salary-related basis, and made amendments between April 1997 and April 2016.

The Defined Benefit Scheme was contracted out until 6th April 2016 and could have had amendments made during the relevant period.

Subsequently in June 2025 the Government announced they plan to introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. The company await the details of this legislation before taking any further action.

ii) Defined contribution scheme

From 1 October 2002 the company introduced a defined contribution pension scheme for new members joining the company. The pension cost charge for the year was €20,979,406 (2024: €19,707,015) and there are no outstanding or prepaid contributions as at 31 March 2025 (2024: €nil).

Notes to the financial statements for the year ended 31 March 2025 (continued)

18 Contingencies

The company has given a guarantee to HM Revenue and Customs for €40,000,000 (2024: €40,000,000) in respect of the deferment payment of customs duty and value added tax.

19 Capital commitments

	2025	2024
	€'000	€'000
Capital expenditure on fixed assets authorised by the directors and contracts placed at the year end, but not provided for in the financial statements	**11,028**	5,748

20 Parent undertakings and related party transactions

The company's immediate parent company is Toyota Motor Europe NV/SA (TME), a company incorporated in Belgium. The company's ultimate parent undertaking and controlling party is Toyota Motor Corporation, a company incorporated in Japan.

The only group into which the results of the company are consolidated is that headed by Toyota Motor Corporation.

As the company is wholly owned by Toyota Motor Corporation, whose consolidated financial statements are publicly available, the company has taken advantage of the relief available under FRS 101 paragraph 8(k) not requiring subsidiary undertakings to disclose transactions with entities that are wholly owned fellow group companies or investees of the group qualifying as related parties. See note 7 for disclosure of directors' remuneration.

Copies of the consolidated financial statements of Toyota Motor Corporation can be obtained from:

Toyota Motor Corporation
1 Toyota-cho
Toyota City
Aichi
Prefecture 471
Japan

Or via:

https://global.toyota/en/ir/financial-results/

21 Post balance sheet events

No post balance sheet events to disclose.