

# Toyota Danmark A/S

Dynamovej 10  
2860 Søborg  
CVR no. 48 45 63 16

## Annual Report for 2017/18

Adopted at the Annual  
General Meeting on 13 July  
2018

Chairman



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## Statement by Management on the Annual Report

The Executive Board and Board of Directors have today considered and approved the Annual Report of Toyota Danmark A/S for the financial year 1 April 2017 - 31 March 2018.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.


In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 March 2018 and of the results of the Company's operations for the financial year 1 April 2017 - 31 March 2018.

In our opinion, Management's Review includes a fair and true account of the matters dealt with in the Management's Review.

We recommend the adoption of the Annual Report at the Annual General Meeting.

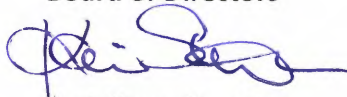
Copenhagen, 30 June 2018

### Executive Board

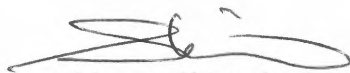


Frank Chukwuma Okoisor  
CEO

### Board of Directors



Kari Birger Skogster  
Chairman



Masaru Shimada



Frank Chukwuma Okoisor

## **Independent Auditor's Report**

### ***To the Shareholder of Toyota Danmark A/S***

#### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2018, and of the results of the Company's operations for the financial year 1 April 2017 - 31 March 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Toyota Danmark A/S for the financial year 1 April 2017 - 31 March 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("Financial Statements").

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Statement on management's review**

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

## **Independent Auditor's Report**

### **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines 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, Management is 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's 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 auditor's 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 and the additional requirements applicable in Denmark 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent Auditor's Report


- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 30 June 2018

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31

  
Leif Ulbæk Jensen  
State Authorised Public Accountant  
mne23327

  
Anders Røjleskov  
State Authorised Public Accountant  
mne28699

## Company Details

### The Company

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Dynamovej 10  
2860 Søborg

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Website: [www.toyota.dk](http://www.toyota.dk)

CVR no.: 48 45 63 16  
Reporting period: 1 April 2017 - 31 March 2018  
Domicile: Gladsaxe

### Board of Directors

Kari Birger Skogster, Chairman  
Masaru Shimada  
Frank Chukwuma Okoisor

### Executive Board

Frank Chukwuma Okoisor, CEO

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

### Bankers

Danske Bank  
Holmens Kanal  
DK-1060 København K

Citibank  
H.C. Andersens Boulevard 12  
DK-1553 København V

## Financial Highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	<u>2017/18</u>	<u>2016/17</u>	<u>2015/16</u>	<u>2014/15</u>	<u>2013/14</u>
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
Revenue	2.618.208	2.258.097	1.997.035	1.809.909	1.863.352
Gross profit	246.772	195.504	193.137	146.440	163.260
Profit/loss before financial income and expenses	194.065	140.908	135.566	101.772	115.173
Net financials	98	46	264	280	-69
Profit/loss for the year	151.178	109.921	103.024	73.454	86.391
<b>Balance sheet</b>					
Balance sheet total	628.123	614.952	429.553	542.926	575.944
Investment in property, plant and equipment	7.090	18.640	12.636	52	7.728
Equity	351.613	310.356	303.459	273.889	286.826
Number of employees	64	65	68	70	70
<b>Financial ratios</b>					
Profit margin	7,4%	6,2%	6,8%	5,6%	6,2%
Return on assets	30,9%	22,9%	31,6%	18,7%	20,0%
Solvency ratio	56,0%	50,5%	70,6%	50,4%	49,8%
Return on equity	45,7%	35,8%	35,7%	26,2%	30,8%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.



## Management's Review

### Key activities

Toyota Danmark A/S (TDK) is Toyota's marketing and sales company in Denmark. TDK is responsible for marketing and sales of the Toyota and Lexus brands, as well as the corresponding genuine spare parts and accessories. TDK has also the market responsibility for the Faroe Islands and Greenland.

### Development in the year

The income statement of the Company for 2017/18 shows a profit of TDKK 151.178, and at 31 March 2018 the balance sheet of the Company shows equity of TDKK 351.613.

2017 was almost in same level as 2016 with a slight decline of 0.5%. The Danish automobile industry ended at a total sales of nearly 221,800 passenger cars, an decrease of 1,100 units versus the previous record in 2016. The market development was driven by SUV and Premium which grew 34% and represented a total of 20% of the total market in 2017. A,B,C and D segments decreased with 7.7%, but is still 72% of the total market vs. 77% in 2016. In addition, the mix of fleet sales remained at 49% . Light commercial vehicles (LCV) sales were 35.890 in 2017 vs 36,900 units in 2016.

Toyota sold 20,536 units with a market share of 8%, in Denmark. Yaris was once again the most sold model with a total of 5,700 units, followed by Aygo (4,700 units) and Auris (2,900 units). Critical to our success was the continued growth of Toyota hybrid awareness and acceptance. Our total hybrid sales were 7,800 units (+19% vs 2016), with a sales mix of 53% on Yaris and 84% on Auris. On LCVs, it was once again Hilux and Proace that accounted for the largest share of our sales. In AutoIndex 2017 (FDM), for the 16<sup>th</sup> consecutive year, Toyota again achieved two no. 1 places regarding the satisfaction of customers with the retailers and the workshops. The survey includes all suppliers of cars in Denmark, and Toyota has since the launch of AutoIndex in 2003 been amongst the very best. The financial result in 2017 is satisfactory. The high volume and enhanced cost control are the main reasons to achieve the result.

### Targets and expectations for the year ahead

In 2018, we expect the market to remain at the same level as in 2017, reaching around 259,000 units. In this environment we expect to sell 20,000, with a market share of 7,7%. In 2018, we expect that the automotive market will see further disruption from non-traditional OEMs. With a view on this changing market environment, TDK will take steps to mirror the global strategy that moves Toyota from an automotive company to a mobility company, through the implementation of new mobility projects.

### External environment

Pursuant to section 99a(6) of the Danish Financial Statements Act no account or corporate responsibility is required. Instead reference is made to the account given by the parent company on it's homepage; <http://www.toyota-global.com/sustainability/csr/csr/index.html>

## **Management's Review**

### **Statement of corporate social responsibility**

Pursuant to section 99a(6) of the Danish Financial Statements Act no account or corporate responsibility is required. Instead reference is made to the account given by the parent company on it's homepage; <http://www.toyota-global.com/sustainability/csr/csr/index.html>

### **Statement on gender composition**

We aim to achieve diversity and equality in all our initiatives both with respect to recruitment, retention, job satisfaction and development of competencies. We want to have a more equal distribution of men and women in our management group. We continue to focus on women when recruiting executives and expect to have a ratio of 20% female executives in 2019 (compared to 16% today).

We continue working on increasing the representation of women on the Board of Directors with the aim of reaching a 25% representation by the end of 2020. Despite changes in the Board of Directors in 2017/18 the goal was not fulfilled.

The work will be carried out through Management's initiatives to stimulate the number of candidates among the under-represented gender when recruiting. Management considers recruitment an important pipeline to promote equal opportunities in the Company, which is a prerequisite for gender equality at executive levels.

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## **Accounting Policies**

The Annual Report of Toyota Danmark A/S for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

The Annual Report for 2017/18 is presented in TDKK.

### **Cash flow statement**

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the Consolidated Financial Statements of Toyota Motor Europe N.V./S.A the Company has not prepared a cash flow statement.

### **Basis of recognition and measurement**

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### **Translation policies**

Danish kroner is used as reporting and functional currency as most of the Company's transactions are in DKK. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

## **Accounting Policies**

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### **Income statement**

#### **Revenue**

Revenue from the sale of Cars and spare parts is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined;
- and payment has been received or may with reasonable certainty be expected to be received.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

The Company has no significant markets beside the Danish market. In consideration of the Toyota Group's division of business segments, the Company considers spare parts and vehicles as one business segment.

The Company's revenue is therefor not broken down by geographical and business segments.

#### **Cost of sales**

Cost of sales comprise cars and spare parts consumed to achieve revenue for the year.

#### **Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

#### **Other external expenses**

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses etc.

#### **Staff expenses**

Staff expenses comprise wages and salaries as well as other payroll expenses.

## Accounting Policies

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with wholly Group owned Danish Companies. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The joint taxed enterprises have adopted the on-account taxation scheme.

## Balance sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

	Useful life
Buildings	10-60 years
Other fixtures and fittings, tools and equipment	3-10 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 25,000 are expensed in the year of acquisition

## **Accounting Policies**

### **Impairment of fixed assets**

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### **Fixed asset investments**

Fixed asset investments consist of deposits.

### **Inventories**

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

## Accounting Policies

### Current tax liabilities and assets

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

### Financial Highlights

Definitions of financial ratios.

Profit margin	$\frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

## Income Statement 1 April - 31 March

	<u>Note</u>	<u>2017/2018</u> TDKK	<u>2016/2017</u> TDKK
<b>Revenue</b>		<b>2.618.208</b>	<b>2.258.097</b>
Change in inventories of goods for resale		-67.507	190.399
Other operating income		4.740	3.736
Cost of goods and services sold		-2.201.638	-2.155.762
Other external expenses		-107.031	-100.966
<b>Gross profit</b>		<b>246.772</b>	<b>195.504</b>
Staff expenses	1	-47.770	-49.657
Depreciation, amortisation and impairment of property, plant and equipment	2	-4.937	-4.939
<b>Profit/loss before financial income and expenses</b>		<b>194.065</b>	<b>140.908</b>
Financial income		614	834
Financial expenses	3	-503	-788
<b>Profit/loss before tax</b>		<b>194.176</b>	<b>140.954</b>
Tax on profit/loss for the year	4	-42.998	-31.033
<b>Net profit/loss for the year</b>		<b>151.178</b>	<b>109.921</b>
Distribution of profit	5		



## Balance Sheet 31 March

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
<b>Assets</b>			
Land and buildings		24.308	25.075
Other fixtures and fittings, tools and equipment		<u>12.062</u>	<u>14.894</u>
<b>Property, plant and equipment</b>	<b>6</b>	<b><u>36.370</u></b>	<b><u>39.969</u></b>
Deposits	7	<u>784</u>	<u>784</u>
<b>Fixed asset investments</b>		<b><u>784</u></b>	<b><u>784</u></b>
<b>Fixed assets total</b>		<b><u>37.154</u></b>	<b><u>40.753</u></b>
<b>Inventories (goods for resale)</b>		<b><u>434.210</u></b>	<b><u>501.717</u></b>
Trade receivables		53.264	41.885
Receivables from group enterprises		88.079	4.808
Other receivables		511	958
Deferred tax asset	8	221	422
Corporation tax		11.412	23.265
Prepayments	9	<u>232</u>	<u>383</u>
<b>Receivables</b>		<b><u>153.719</u></b>	<b><u>71.721</u></b>
<b>Cash at bank and in hand</b>		<b><u>3.040</u></b>	<b><u>761</u></b>
<b>Current assets total</b>		<b><u>590.969</u></b>	<b><u>574.199</u></b>
<b>Assets total</b>		<b><u>628.123</u></b>	<b><u>614.952</u></b>

## Balance Sheet 31 March

	<u>Note</u>	<u>2018</u> TDKK	<u>2017</u> TDKK
<b>Liabilities and equity</b>			
Share capital		25.000	25.000
Retained earnings		175.435	175.435
Proposed dividend for the year		<u>151.178</u>	<u>109.921</u>
<b>Equity</b>		<u><b>351.613</b></u>	<u><b>310.356</b></u>
Trade payables		58.525	59.988
Payables to group enterprises		156.004	158.514
Other payables		<u>61.981</u>	<u>86.094</u>
<b>Short-term debt</b>		<u><b>276.510</b></u>	<u><b>304.596</b></u>
<b>Debt total</b>		<u><b>276.510</b></u>	<u><b>304.596</b></u>
<b>Liabilities and equity total</b>		<u><b>628.123</b></u>	<u><b>614.952</b></u>
Contingent assets, liabilities and other financial obligations	10		
Related parties and group relation	11		
Fee to auditors appointed at the general meeting	12		
Subsequent events	13		

## Statement of changes in equity

	<u>Share capital</u> TDKK	<u>Retained earnings</u> TDKK	<u>Proposed dividend for the year</u> TDKK	<u>Total</u> TDKK
Equity at 1 April 2017	25.000	175.435	109.921	310.356
Ordinary dividend paid	0	0	-109.921	-109.921
Net profit/loss for the year	0	0	151.178	151.178
<b>Equity at 31 March 2018</b>	<b>25.000</b>	<b>175.435</b>	<b>151.178</b>	<b>351.613</b>

## Notes to the Financial Statements

	<u>2017/2018</u> TDKK	<u>2016/2017</u> TDKK
<b>1 Staff expenses</b>		
Wages and salaries	43.107	44.898
Pensions	4.348	4.422
Other social security costs	<u>315</u>	<u>337</u>
<b>Staff expenses total</b>	<u><b>47.770</b></u>	<u><b>49.657</b></u>
Average number of employees	<u>64</u>	<u>65</u>
Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.		
<b>2 Depreciation, amortisation and impairment of property, plant and equipment</b>		
Depreciation of property, plant and equipment	<u>4.937</u>	<u>4.939</u>
	<u><b>4.937</b></u>	<u><b>4.939</b></u>
which breaks down as follows:		
Buildings	767	890
Other fixtures and fittings, tools and equipment	<u>4.170</u>	<u>4.049</u>
	<u><b>4.937</b></u>	<u><b>4.939</b></u>
<b>3 Financial expenses</b>		
Interest paid to group enterprises	140	434
Other financial expenses	192	157
Exchange loss	<u>171</u>	<u>197</u>
	<u><b>503</b></u>	<u><b>788</b></u>

## Notes to the Financial Statements

	<u>2017/2018</u> TDKK	<u>2016/2017</u> TDKK	
<b>4 Tax on profit/loss for the year</b>			
Current tax for the year	42.797	30.523	
Deferred tax for the year	<u>201</u>	<u>510</u>	
	<b><u>42.998</u></b>	<b><u>31.033</u></b>	
<b>5 Distribution of profit</b>			
Proposed dividend for the year	<u>151.178</u>	<u>109.921</u>	
	<b><u>151.178</u></b>	<b><u>109.921</u></b>	
<b>6 Property, plant and equipment</b>			
	Land and buildings	Other fixtures and fittings, tools and equipment	Total
	TDKK	TDKK	TDKK
Cost at 1 April 2017	86.475	27.422	113.897
Additions for the year	0	12.421	12.421
Disposals for the year	<u>0</u>	<u>-14.818</u>	<u>-14.818</u>
Cost at 31 March 2018	<u>86.475</u>	<u>25.025</u>	<u>111.500</u>
Impairment losses and depreciation at 1 April 2017	61.400	12.528	73.928
Depreciation for the year	767	4.171	4.938
Reversal of depreciations of sold assets	<u>0</u>	<u>-3.736</u>	<u>-3.736</u>
Impairment losses and depreciation at 31 March 2018	<u>62.167</u>	<u>12.963</u>	<u>75.130</u>
<b>Carrying amount at 31 March 2018</b>	<b><u>24.308</u></b>	<b><u>12.062</u></b>	<b><u>36.370</u></b>
Depreciated over	<u>10-60 years</u>	<u>3-10 years</u>	

## Notes to the Financial Statements

### 7 Fixed asset investments

	<u>Deposits</u> TDKK
Cost at 1 April 2017	<u>784</u>
Cost at 31 March 2018	<u>784</u>
<b>Carrying amount at 31 March 2018</b>	<b><u>784</u></b>

	<u>2018</u> TDKK	<u>2017</u> TDKK
<b>8 Deferred tax asset</b>		
Deferred tax asset at 1 April	422	1.906
Change in deferred tax	<u>-201</u>	<u>-1.484</u>
<b>Deferred tax asset at 31 March</b>	<b><u>221</u></b>	<b><u>422</u></b>

Deferred tax asset is related to temporary differences on Property, plant & equipment, trade receivables, inventories and other payables.

### 9 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums and subscriptions as well.

## Notes to the Financial Statements

### 10 Contingent assets, liabilities and other financial obligations

#### Contingent liabilities

The Company provides a three-year warranty in respect of new cars sold and two-year warranty as regards spare parts and accessories. Toyota in Japan and Belgium are liable for the warranties.

The Danish Toyota group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The Danish group companies are jointly and severally liable for Danish corporation taxes.

Rent payments concerning interminable contract until 31 October 2018 totals TDKK 817.

Toyota Danmark A/S has to the Central Tax Administration (SKAT) provided TDKK 1.700 as warranty.

### 11 Related parties and group relation

#### Controlling interest

Toyota Motor Europe N.V./S.A., Parent Company  
Toyota Motor CO., Japan, Ultimate Parent Company

#### Transactions

Transactions with related parties have not been disclosed for in accordance with section 98 C(7) of the Danish Financial Statements Act as there have been no transactions with related parties, which have not been effected at arm's length.

#### Consolidated Financial Statements

The Company is included in the Group Annual Report of Toyota Motor Europe N.V./S.A., Belgium and Toyota Motor Corporation, Japan.

The Group Annual Report of Toyota Motor Corporation may be obtained at the following address: Toyota Motor Corporation, Japan, Toyota-Cho, Toyota City, Aichi, Prefecture 471-8571.

## Notes to the Financial Statements

	<u>2017/2018</u> TDKK	<u>2016/2017</u> TDKK
<b>12 Fee to auditors appointed at the general meeting</b>		
Audit fee	411	403
Non-audit services	<u>212</u>	<u>375</u>
	<u><b>623</b></u>	<u><b>778</b></u>

### 13 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.