January 15, 2015

NONCOMPLIANCE INFORMATION REPORT

1. Vehicle Manufacturer Name:
Toyota Motor Corporation, [“TMC”]
1, Toyota-cho, Toyota-city,
Aichi, 471-8571, Japan

Affiliated U.S. Sales Company
Toyota Motor Sales, USA, Inc. [“TMS”]
19001 South Western Avenue,
Torrance, CA 90501

2. Identification of Involved Vehicles:

Based on production records, we have determined the involved vehicle population which is in the table below.

<table>
<thead>
<tr>
<th>Make/Car Line</th>
<th>Model Year</th>
<th>Manufacturer</th>
<th>VIN</th>
<th>Production Period</th>
</tr>
</thead>
</table>

Note: Although the involved vehicles are within the above VIN range, not all vehicles in this range were sold in the U.S. In addition, only vehicles subject to a calibration procedure unique to this facility, during an off-line process as described further below are potentially affected.

3. Total Number of Vehicles Involved:

Total: 4,971 units
4. **Percentage of Vehicles Estimated to Actually Experience Noncompliance:**

Unknown

5. **Description of Noncompliance:**

The front passenger seat of the subject vehicle is equipped with an occupant classification system (OCS) which activates/deactivates the passenger seat air bag system depending on the weight of the seat occupant. S.19.2.1, S21.2.1 and S23.2.1 of FMVSS No. 208 requires the OCS to activate the air bag system when a 5th percentile adult female (AF05) dummy is placed on the passenger seat.

Due to an improper calibration procedure for vehicles taken off-line during the manufacturing process at the particular facility at which the vehicles were assembled, the classification system may not have been calibrated properly. If an OCS system is not calibrated properly, the requirements of FMVSS 208 noted above may not be met. Under some conditions, this could result in no deployment of an air bag, increasing the risk of an injury to a front seat passenger in the event of crash.

6. **Test Results and Other Information:**

In early January 2015, Toyota found at the vehicle assembly plant that the OCS of a Prius V model was not properly recognizing and activating the passenger air bag system when a passenger of a weight greater than that of an AF05 dummy was in the seat. This prompted Toyota to inspect additional vehicles in inventory; this condition was present on other Prius V vehicles as well. All the vehicles were found to have been the subject of an off-line process, where the final OCS calibration was performed in a manner different from those vehicles which were not taken off-line during manufacture. During the off-line process, there is a possibility that the OCS calibration procedure used did not properly set the zero point so as to allow the
system to operate appropriately.

As a result of the investigation, it was determined on January 9, 2015 that some vehicles do not meet the requirements of FMVSS 208 S19.2.1, S21.2.1 and S23.2.1.

7. **Description of Corrective Repair Action:**

All known owners of the subject vehicles will be notified by first class mail to return their vehicles to a Toyota dealer for re-calibration of the occupant classification system.

**Reimbursement Plan for pre-notification remedies**

As the owner notification letters will be mailed out well within the active period of the Toyota New Vehicle Limited Warranty (“Warranty”), all involved vehicle owners for this recall would have been provided a repair at no cost under Toyota’s Warranty.

8. **Recall Schedule:**

Mailing of owner notifications will begin in mid-February, 2015. A draft of the owner notification letter will be submitted as soon as it is available.

9. **Distributor/Dealer Notification Schedule:**

Notification to distributors/dealers will be sent on January 15, 2015. Copies of the dealer communications will be submitted as they are issued.