

Applying Our Limitless Ingenuity Aiming for Further Growth and the Recovery of Japan



I would like to start by offering sincere condolences on behalf of everyone at Toyota to those who have faced great hardship due to the Great East Japan Earthquake.

There are currently a number of measures being undertaken for post-disaster revival, and we believe that we must give our all in contributing to the revival of the automobile industry and the manufacturing sector as a whole. For Toyota, this means that now, more than ever, we must remain strongly aware of our founding principle of contributing to society through the production of automobiles and that we must put to use the experience that has enabled us to meet the challenges of enormous changes in the past.

The recent disaster has highlighted not only for Japan but also for the whole world the important role of northeastern Japan and northern Kanto in Japan's component manufacturing industry. I believe that all of us must work together to find the path to recovery and revival, so that the stricken regions can continue to be a base of manufacturing and that the Japanese manufacturing sector can continue to develop.

One of Toyota's strengths lies in our focus on the power of the workplace, which is now underpinned by our sense of crisis and sense of mission. Toyota's top management is continually observing the workplace, aiming to create a shared understanding with those onsite that there is no limit to human capacity and ingenuity as we seek solutions that bring us closer, one step at a time, to recovery and revival.

For Toyota, 2010 was a year in which a series of quality issues spurred us to return to our roots and to work on restoring trust by rebuilding relationships with our customers, dealers and suppliers. In returning to the spirit of manufacturing and car building that Toyota has embraced since its founding and aiming to realize an even higher level of safety and security from the standpoint of our customers, we have placed increasing emphasis on being on the spot and are now even more focused on building ever-better automobiles. We are continuing to enhance our thorough quality assurance and quality control systems on a global level.

We will continue to strengthen these efforts, aiming to realize continuous growth through the thorough application of our principles of "customer-first," "*genchi genbutsu* (onsite, hands-on experience)" and "good quality, affordable price." We will also employ innovation based on knowledge and continuous improvement to earn the satisfaction of our customers and to contribute to the kind of future mobility that the world needs.

In closing, I would like to thank all of our stakeholders for their ongoing understanding and support.

July 2011

A handwritten signature in black ink, appearing to read "Fujio Cho".

Fujio Cho, Chairman