

2010 Year-End Progress Report: Major Changes Help Toyota Put Even More Focus on Its Customers

December 20, 2010

“I am taking the company back to basics ... We are putting our customers, and the values on which our company was founded, front and center.” – Akio Toyoda, President, Toyota Motor Corporation

Dec. 20, 2010 — Toyota has taken major steps to become an even more responsive, customer-focused organization – and to strengthen our leadership in automotive quality and safety.

Safe Cars Made Even Safer

- **Star Safety System** of five accident avoidance technologies standard across all new vehicles.
- **Smart Stop Technology** included on all new models for added customer confidence.
- **Enhanced Event Data Recorders** in all 2011 model year vehicles.

A Transformation in Global Quality Assurance

- **Special Committee for Global Quality**, led by President Akio Toyoda, examining all aspects of quality assurance.
- **Strengthened ability to monitor and evaluate customer concerns.**
- **New vehicle development cycle** expanded by four weeks to help ensure reliability and safety.
- **1,000 Toyota engineers** assigned to focus on component design and quality.

Swift, Decisive Action on Safety

- **North American operations have a greater voice in safety decisions** – with appropriate action taken whenever issues emerge.
- **Established SMART Teams** of highly trained engineers and field technicians who can be deployed to conduct onsite inspections anywhere in the U.S. help quickly investigate customer concerns.
- **Six additional Product Quality Field Offices** in process of being established throughout North America.

Fast and Thorough Response on Recalls

- **Nearly 200,000 employees, dealers and technicians across America** focused on making things right for customers.
- **Floor mat and sticky pedal recall remedies substantially complete.**

More Local Autonomy

- **Chief Quality Officer for North America** (Steve St. Angelo) – a new position with a direct line to Akio Toyoda.
- **Independent Quality Advisory Panel**, chaired by former U.S. Transportation Secretary Rodney Slater, reviewing and making policy recommendations.
- **More Americans now leading our plants** in the U.S.

Extraordinary Technical Scrutiny

- **Several thousand SMART Team evaluations** since April, none of which has found a single instance of unintended acceleration caused by failure in our vehicle electronics.
- **An unprecedented level of independent engineering review**, including NASA, the National Academy of Sciences and leading engineering firm Exponent.

Continued Economic and Community Impact

- **Ongoing focus on maintaining employment security – no layoffs** among full-time employees at Toyota's manufacturing plants, despite the economic downturn.
- **Significant new investments in our U.S. manufacturing operations**, including capital improvements and 1,000 new jobs at our San Antonio production facility plus the impending completion of a new, billion-dollar plant in Mississippi, which will directly employ nearly 2,000 people.
- **Continued investments in local education systems, environmental programs and community organizations** across the country.

Ongoing Support from Customers and Independent Experts

- **Toyota remains the best selling retail brand** in America – Camry the #1 selling car in the U.S.
- **Seventeen vehicles rated most reliable** by *Consumer Reports*, more than any other manufacturer.
- **Toyota has regained the number one spot as the most-considered automobile brand** among new-car shoppers, according to Kelley Blue Book, one of the most trusted resources for new and used vehicle buyers.
- **Toyota and Lexus dominated Kelley Blue Book's recently announced list of 2011 Top Ten Best Resale Values**, taking four of the ten top spots. No other automaker had more than two.
- **Six segment awards in the 2010 J.D. Power initial quality study**, more than any other manufacturer.
- **Eight Toyota vehicles named "top safety picks"** by the Insurance Institute for Highway Safety.