

Progress Report: Expanded Leadership in Safety & Innovation, Even Stronger Focus on Customers

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Toyota has continued to take major steps to become an even more responsive, customer-focused organization – and to strengthen its leadership in automotive quality, safety and innovation.

Sweeping Product Innovations & Continued Environmental Leadership

- Ten new or updated models this year – including the new Prius v – with six new hybrid vehicles to market by 2012 – including the plug-in electric hybrid Prius
- A zero emission Toyota RAV4 electric vehicle, produced with California's Tesla Motors, due next year
- New partnership with Microsoft to provide affordable, advanced vehicle “telematics”
- One millionth Prius sold in the U.S. – more than 3 million sold worldwide

Safe Cars Made Even Safer

- Star Safety System standard on all new vehicles, includes Smart Stop Technology brake override system
- Enhanced Event Data Recorders in all 2011 model year vehicles
- \$50 million investment to launch new Safety Research Center in MI, focused on reducing traffic fatalities

Swift, Decisive Action on Quality and Safety

- New North American management structure with a greater voice in safety decisions
- SMART Teams of engineers and field technicians conduct onsite inspections anywhere in the U.S.
- Six new Product Quality Field Offices being established throughout North America

A Transformation in Global Quality Assurance and More Local Autonomy

- Chief Safety Technology Officer and 1,000 Toyota engineers assigned to component design and quality
- Improved supplier quality controls and strengthened monitoring of customer concerns
- Chief Quality Officer for North America with a direct line to Akio Toyoda – More Americans now leading Toyota plants in the U.S.

Extraordinary Technical Scrutiny

- Exhaustive 10-month study by NASA and NHTSA found no electronic cause for sudden acceleration
- Unprecedented independent engineering reviews by the National Academy of Sciences and Exponent
- SMART Team evaluations have found no evidence of unintended acceleration due to electronic problems

Continued Economic and Community Impact

- Nearly 200,000 American jobs, including 30,000 direct plus nearly 170,000 more at dealers and suppliers
- A total of 13 plants in North America producing 12 different vehicles and various engines
- No layoffs of full-time employees at Toyota's manufacturing plants, despite the economic downturn and disaster in Japan
- Significant U.S. manufacturing investment continues – total direct U.S. investments now approx. \$18 billion – new plant in Mississippi to open this Fall
- Large U.S. R&D presence, including 1,000 employed at the Toyota Technical Center in Michigan
- More than \$500 million in philanthropic support contributed in U.S. since 1991

Continued Support from Independent Experts and Customers

- Best selling retail brand in America in 2010 with Camry the #1 selling car in the U.S.
- Nine Toyota vehicles named "top safety picks" by the Insurance Institute for Highway Safety
- Seventeen vehicles rated "Most Reliable" by *Consumer Reports* – more than any other manufacturer
- Four of top 10 spots on *Kelley Blue Book's* list of Best Resale Values – no other company had more than two
- Six segment awards in the 2010 J.D. Power Initial Quality Study and seven top awards in J.D. Power's 2011 Vehicle Dependability Survey – both are more than any other full line manufacturer