

Toyota Motor Corporation Press Conference On Quality - Shinichi Sasaki

February 17, 2010

Toyota Motor Corporation Press Conference Addressing Quality-Related Matters
Tokyo, Japan
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Shinichi Sasaki, Executive Vice President

I will explain in more detail the quality-improvement activities President Toyoda mentioned during one of our recent press conferences.

On February 5, we talked about the Special Committee for Global Quality. This committee aims to review quality control throughout all of our work processes from design to sales, and then to improve and set the direction for the future. To be able to listen more closely to customer feedback and devise remedies and improvements adhering to the characteristics of each region, people from different regions around the world will be assigned to the new post of chief quality officer and will be members of the committee.

The first meeting of the Special Committee for Global Quality will take place on March 30. We will ask independent third-party experts to review the contents of that meeting. Their scrutiny will help ensure that our approach is not limited to our own perspective and that we are doing what needs to be done.

Furthermore, as for our recall decision-making process, regional representatives (chief safety officers) will be included on our recall decision panel, improving the sharing of information between Japan and other regions, with an aim for more appropriate and timely decision-making.

In another quality-improvement initiative, we will use our genchi genbutsu (go and see for yourself) approach to strengthen our ability to conduct technological investigations for each and every case of suspected product malfunction and to follow through with appropriate actions.

First, in the United States, we will aim to be able to conduct on-site inspections within 24 hours of reported incidents by fine-tuning our information-gathering capabilities. Furthermore, our engineers will carry out firsthand Customer Quality Engineering activities, and we will establish technical offices in several U.S. cities that will serve to reinforce the customer service functions of our local sales companies.

We will undertake similar initiatives in other regions, strengthening the functions of such technical offices and establishing new ones as necessary to support a solid, local response in each region.

We will also equip vehicles with an expanded range of functionality for diagnosing problems automatically and for recording events electronically, as well as carrying out other tasks. This functionality will be helpful in promptly evaluating technological issues and in promptly taking corrective measures.

Yet another initiative that I want to mention pertains to human resources. Cultivating superior human resources is essential to ensuring reliable quality, which is the lifeline of our company. We have established Global Production Center training facilities around the world to transfer manufacturing skills and expertise. Now, we will set up “customer first” training centers to nurture professionals equipped to steer our quality-improvement

program in the years and decades ahead.

That concludes my summary of the principal initiatives we are readying to improve product quality. In the name of quality, we at Toyota are redoubling our commitment to the spirit of “customer first”, to genchi genbutsu and to focusing on regional needs and circumstances. We invite you to follow our progress closely.

Thank you.