

A Message from the President

Toyoda Automatic Loom Works, Ltd. puts a high priority on environmental protection activities and is proud to have made significant strides in this area. We are pleased to take this opportunity to report on our environment-related goals and achievements to our shareholders, customers, vendors and employees around the world.

Without question, Japan's manufacturing sector has achieved remarkable growth in the last half century, contributing greatly to the nation's economic development and the enrichment of people's lives and society. Nevertheless, we cannot deny the fact that the cycle of mass production, mass consumption and mass waste has led to the emergence of such pressing issues as global warming and waste management.

As a manufacturer of automotive transport equipment and components, Toyoda Automatic Looms Works understands the gravity of this situation. Together with other companies in our group, we have been actively engaged in a variety of activities both in Japan and overseas aimed at achieving a harmonious balance between economic development and environmental protection.

In the medium term, under our corporate vision of "working through our business activities, to build a wholesome global environment and an affluent society while also offering products that are clean, safe, and of superior quality," we announced our Third Environmental Action Plan in August 2000. Putting the action plan into practice, we are now pursuing the challenge of achieving zero emissions of landfill waste at our major plants in Japan as well as developing other environment-friendly technologies for a sustainable society.

Let me cite some specific examples. At the product level, one focus of our development efforts has been to create lighter, more compact products that are clean, safe, fuel efficient, and recyclable. These efforts have borne fruit with products like the recently introduced GENE0-B (7FB), the world's first electric-powered forklift equipped with a specially-developed AC drive system as standard equipment.

We are also implementing life cycle assessment (LCA) methods to evaluate the environmental impact of each stage of a product's life, from selection of raw materials through manufacture, use, and final disposal. In addition, we have introduced product design guidelines aimed at reducing the use of environmentally harmful materials and improving recyclability.

In the production area, we are actively promoting energy saving activities through such means as installing co-generation systems in each plant. In addition, we are reducing industrial waste through the reduction of materials used as well as reuse and recycling, while maintaining high voluntary standards for factory wastewater and emissions that are more rigorous than mandated legal requirements.

Each of us at Toyoda Automatic Loom Works is involved in Companywide efforts to improve our products, factories, and offices for a better environment. We encourage employees to learn more about environmental issues and make suggestions about improvements in this area, and we also strive to be a good corporate citizen by contributing to society and undertaking external communications activities.

The various activities described here are intended to secure and further improve on the ISO 14001-based environmental management systems at the Company and our domestic and overseas affiliated companies.

As we implement our Third Environmental Action Plan, Toyoda Automatic Loom Works will continue to develop environment-friendly technologies and systems to promote a harmonious balance between economic activities and environmental protection.

I sincerely hope that this report will help readers deepen their understanding of our environment-related activities. I thank our employees, affiliated companies, vendors, and customers for their continuous support in these important endeavors.



President

Tadashi Ishikawa