

# Profile

## Management Philosophy

Toyoda Automatic Loom Works, Ltd. (Toyoda) was established in 1926 by Sakichi Toyoda, world-class inventor and founding father of the Toyota Group. Toyoda, a core member of the Toyota Group, has evolved and grown into a global company. Since its establishment, Toyoda has consistently emphasized research and development to create leading-edge products and services to meet customer needs. Toyoda has also striven to contribute to the growth of industry and social prosperity.

## Strengths

Toyoda's commitment to technological innovation began with technologies cultivated through the development and manufacture of automatic looms that were Toyoda's principal products in its early years. This commitment has resulted in Toyoda's present core businesses of automobile-related products (including automobiles, engines and car air-conditioning compressors), forklifts and materials handling systems. As a central member of the Toyota Group, Toyoda's stable operating base encompasses automobile and engine production. In addition, Toyoda has a high share of the global market for car air-conditioning compressors and counterbalanced forklifts. In each segment, Toyoda is moving to expand its businesses and strengthen profitability.

In markets worldwide, Toyoda's superior technologies are highly regarded. Toyoda's commanding share of the markets for counterbalanced forklifts and car air-conditioning compressors underscores the competitive advantage provided by its outstanding technologies.

## Strategic Vision

Toyoda is working to achieve growth through global business development based on production and marketing strategies geared to specific markets worldwide and a commitment to technological advancement. Toyoda's management believes that its technological strength forms the basis of its competitiveness. For this reason, Toyoda maintains a continuous search for technical excellence.

Expansion of existing operations and development of new businesses will facilitate Toyoda's growth. Toyoda's liquid crystal display (LCD) business, conducted jointly with Sony Corporation, and its production of plastic package substrates for mounting integrated circuit (IC) chips, conducted jointly with Ibiden Co., Ltd., represent Toyoda's efforts to enter new fields.

Electronics businesses, such as Toyoda's LCD operations, have the potential to generate strong growth, and Toyoda intends to develop this strategic area aggressively.

Toyoda also views strategic mergers and acquisitions as an effective means of bolstering the competitive strengths of its operations.

### Cautionary Statement with Respect to Forward-Looking Statements

This annual report contains forward-looking statements regarding Toyoda's plans, outlook, strategies and results for the future. All forward-looking statements are based on management's beliefs and judgments derived from the information available to Toyoda at the time of publication.

Certain risks and uncertainties could cause Toyoda's actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding Toyoda's businesses; competitive pressures; related laws and regulations; product development programs; and changes in exchange rates.