

Toyota to Build Second Plant in India

New Toyota Motor Kirloskar Facility to Boost Annual Local Capacity to 160,000

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Toyota Motor Corporation (TMC) announced today that it has decided to build a second plant on the site of Toyota Kirloskar Motor Private Limited (TKM), its automobile production base in India.

TKM is aiming for its second plant to begin operations in 2010, boasting an initial annual production capacity of some 100,000 vehicles, with plans to increase that over time. In line with this, the company plans to further invest more than approximately 35 billion yen.

Plans call for the second TKM plant to produce passenger vehicles, including the Corolla as well as a new compact vehicle. The aim of the new plant is to meet the broad needs of customers in India, where motorization is expanding rapidly. The new compact vehicle is also expected to be exported to other countries in the future.

TKM is a joint venture company established on the outskirts of Bangalore in October 1997 by TMC and the Kirloskar Group. Currently, TKM produces the Corolla and the IMV series Innova minivan, with annual production in 2007 of 52,000 vehicles (an 18% year-on-year increase).

On the basis of its policy of producing vehicles where sold, TMC decided to build the second TKM plant to respond to the market expansion that has accompanied the development of motorization in India. Once production begins at the second plant in 2010, the two TKM plants will have a combined annual production capacity of 160,000 vehicles.

TMC will continue in the future to develop an optimal production network on a worldwide scale from the perspective of providing "the right vehicle in the right place at the right time", according to the needs of the market.

Outline of Second TKM Plant

Location - On the site of Toyota Kirloskar Motor Private Limited (on the outskirts of Bangalore, Karnataka State)

Investment - Approx. 35 billion yen

Start production - Scheduled for 2010

Annual capacity - Approx. 100,000 units (when plant becomes operational in 2010)

Outline of TKM

Company name - Toyota Kirloskar Motor Private Limited

Location - Outskirts of Bangalore, Karnataka State

Establishment - October 1997 (start of production: December 1999)

President - Hiroshi Nakagawa (from TMC)

Equity - TMC: 89%, Kirloskar Group: 11%

Land area - Approximately 420 acres (approximately 1.7 million m²)

Annual capacity - Approx. 60,000 units (After 2nd plant is operational, approx. 160,000 units)

Products - Corolla, Innova
2007 production - 52,000 units
Employees - Approx. 2,800 (as of February 2008)

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About Toyota Motor Corporation

Established in 1937, Toyota Motor Corporation (TSE: 7203; NYSE: TM), which celebrates its 70th anniversary this year, has developed into one of the world's best known automobile manufacturers. The Toyota Group sold over 8.5 million vehicles under the Toyota, Lexus, Daihatsu, and Hino brands in more than 170 countries and regions in fiscal 2007. Further, the Company's production is firmly rooted in local communities, with 52 companies manufacturing vehicles and parts in 26 countries and regions. Toyota had approximately 300,000 employees on a consolidated basis at the end of fiscal 2007. The company is headquartered in Aichi, Japan. For more information, please visit www.toyota.co.jp/en/index.html .

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