



We boldly confront changes with the growth of worldwide company as our goal

President

Hajime Wakayama

Respond to Environment Changes

Due to the world economic crisis that began last year many industries, especially in manufacturing, continue to be in a serious situation. Our company as well has been affected and has experienced a downturn in income and profits as the consolidated achievements for fiscal 2008 were sales of 546.3 billion yen and ordinary income of 12.1 billion yen.

Due to these harsh circumstances, we have been actively looking at corporate structural reform to improve profitability. All the Toyoda Gosei Group has been endeavoring the best cost cuts and increased efficiency based on the "3 Gen-ism" ("Genchi", "Genbutsu", and "Genjitsu", which are translated as "actual locations", "actual materials" and "actual situations", respectively) through "Urgent Revenue Countermeasure Committee" set up in November 2008. We have revised our corporate structure for more rapid decision-making and implementation with strengthened technological development systems. This will provide us with a framework and system which enables us to effectively deal with future environment changes in the international community.

Consolidate Corporate Foundation as a Technology Company

In light of advances in the new era, it is necessary to make

strategic moves at this time and particularly in new technological development. It is technology that has supported our company. With its advancement, we have achieved successful product development and production systems, which we believe have gained customer trust. Technology is a great asset for us and is indispensable in creating corporate value for the future. To this end, our company's manufacturing wisdom and spirit of challenge are combined and have been an engine for establishing us as a global system supplier. While reaffirming our corporate principals as a technology company, consolidating manufacturing capability is also required for the modern age. More specifically, we gain in global competitiveness by speeding up development of products and manufacturing technologies to meet expanding demand for low-priced products from developing to resource-rich nations. In addition to the existing "Kitajima Technical Center", we have established the "Miwa Technical Center" and started full operation in 2009 to improve the environment for research and development on our mainstay products, automotive parts. Additionally, we aim to expand the market for LED products through developing high luminance, high quality products and home use lighting fixtures. We believe this accumulation of technologies will ensure a stable base for the company. Meanwhile, we aim to face the challenges required in becoming "a company with reduced dependence on oil" by looking ahead to future business through research and development in fields such as in alternative biofuels which

do not compete with food supplies, or improving recycling technologies. These technologies will contribute not only to business growth but also the protection of the environment and securing resources.

Foster "Manufacturing Professionals"

"Manufacturing" is built on reliable knowledge and extensive experience. It is essential to create a working environment which allows the employees supporting our business to be able to exercise and develop their individual abilities. As well as the essential transmitting of the extensive technology and knowledge our company has developed over time on to the next generation, we must maintain an environment and systems to pursue new ideas or values and enthusiastically foster or educate motivated human resources as "manufacturing professionals".

To be the Best Manufacturer in the Field

"Manufacturing" is the base of the industry and our manufacturing competence reflects our corporate capability. The basics of TPS (Toyota Production System) effectively cuts unnecessary production cost and improves production efficiency. We aim to be the best overall in selected manufacturing fields with highly efficient new product start-ups in our major fields of resins, rubbers and LEDs.

All-Out Effort on Corporate Social Responsibility (CSR) Activity

Not only in business, but also in CSR activities, we make an all-out effort. The thoroughness of compliance, corporate governance and promotion of environmental conservation

activities are spread through the entire Toyoda Gosei Group. Aiming to be an essential corporate member of the community, we work hard at playing a responsible role as a public entity.

To Take a Solid Step Toward the Future

Because of the difficulties in predicting coming economic circumstances, we must take solid steps toward the future by optimizing our wisdom and knowledge. Therefore, we shall meet the challenge of being a global company centered on technology while striving to continue offering reliable products and services.

Although we have plans and measures for both long and short terms, we think it is essential to focus on what we can do in practice now to take a step toward the future.

We mark the 60th anniversary of the founding of our company this year. The all-hands project "Afforestation at plant sites" has the purpose of creating a sense of unity among participants and the best possible green environment at a factory while encouraging interaction with the local community. We plan to plant trees at our Heiwacho plant and likewise at other plants in the future.

Finally, I would like to thank our shareholders, customers, clients, all those involved in local societies, our employees, and their families and ask for your continued guidance and support.