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## TOYOTA RECORD DELIGHTFUL EXPORT GROWTH IN EARLY YEARS

Jakarta, March 8, 2017 - PT Toyota Motor Manufacturing Indonesia (TMMIN) started in 2017 with the acquisition of encouraging export figures, namely 15,400 units of complete vehicle or CBU (Completely Built-Up) for January 2017. This figure increased significantly, about 76% , compared with total exports of Toyota branded vehicles in January 2016 which amounted to 8,800

Fortuner once again becoming the backbone of Toyota exports to donate approximately 5,000 units, continuing last year's trend when export Fortuner were able to reach the largest share of exports by 29% of the total exports of Toyota branded vehicles throughout the year. Vios sedan recorded an export volume of 2,500 units, while the export volume Kijang Innova, which this year reached the age of 40 years, reaching 1,100 units. The latest model of Toyota, which is Sienta, contributing an export volume of 600 units. For other Toyota models are also exported such as Yaris, Avanza, Rush, TownAce / LiteAce, and Agya record numbers as many as 6,200 units.

***"We expect the positive performance of export earlier this year can be maintained, so that the target of increasing exports by 10% in 2017 we can accomplish. We will continue to strive to improve the global competitiveness of our products to be accepted in a growing number of destination countries," said Vice President TMMIN, Warih Andang Tjahjono.***

Since the debut of Toyota export activities in 1987 until January 2017, Toyota has recorded accumulated export volume of complete vehicles as much as 1.0651 million units. In 1987, Toyota did the prime export unit of Kijang Super of the 3rd Generation of Kijang on a small scale with the target country of Brunei Darussalam and several countries in Asia Pacific. Toyota export activity continued to increase since the start of the project IMV (Innovative International Multi-purpose Vehicle) in 2004. At the time, Toyota sends Kijang Innova and Fortuner followed by significant amounts to several countries in Asia-Pacific and the Middle East. Activities exports of vehicles branded Toyota continues to expand with the growing diversity of vehicle models that exported including Avanza (starting in 2004), Rush (starting in 2007), Town Ace & Lite Ace (starting in 2008), Vios (starting in 2013), as well as the Yaris and Agya (both starting in 2014). The latest Sienta models also helped to complete Toyota branded vehicle that made its debut in the Asian market in 2016 ago.

Besides exporting the complete vehicle, TMMIN also export vehicles semi-finished or CKD (Completely Knocked Down), vehicle components, tools of production in the pressing process (dies), a production tool in the welding process (jigs), as well as gasoline and ethanol engine type TR used for IMV series vehicles like Fortuner and Innova, and the type of NR for passenger vehicles series like Vios, Yaris and Sienta.

Throughout January 2017, Toyota has exported more than 3,500 units of CKD and more than 8 million pieces of components. Complete machine type TR-fueled gasoline exported 2,400 units and complete engine type TR-fueled ethanol exported by more than 700 units. As for the whole machine type NR gasoline exported as many as 6,700 units and machinery NR type of fuel ethanol to be exported as many as 350 units.

Improved product quality is an important factor on the trustworthiness of Karawang-made products in the global market. Currently, Toyota branded products whether complete or unravel vehicles, complete engines and component tools from production of Indonesia can be found in more than 80 countries in Asia, Africa, Latin America, the Caribbean, and the Middle East.

## Improving Export Quality Product

Toyota has a strong commitment to actively make a positive contribution to the Indonesian nation through export activities. Maintaining the quality of exported products is an important factor in increasing exports. Efforts to increase the exports of, among others, through the deepening of the automotive industry, especially local component industry, renewal and continual improvements in logistics activities at Toyota, as well as improving the quality of Human Resources (HR).

Thousands of parts required to produce one unit of entire vehicles. In the automotive industry, 70% of the components come from the supply chain, while only 30% is produced independently (in-house). This indicates that the supplier has an important role in maintaining product quality. Toyota collaborated with the supply chains in order to maintain and improve the quality of products, through training and mentoring skills and knowledge of human resources equipped with the implementation of the production management in accordance with the Toyota Production System (Toyota Production System) in supplier companies.

***"With the development of the production quality of the chain of suppliers, Toyota expects the growth in exports will continue to occur not only in the form of whole vehicle but also in the form of engine and vehicle components. Therefore we will continue to focus on an active role in deepening the automotive component industry alongside local suppliers in Indonesia," said Edward Otto Kanter, Senior Director TMMIN.***

Internally, there are two things that became the main focus of Toyota in product quality improvement, which is the improvement of logistics systems and human resources development. In the field of logistics, improvements were made with the implementation of an integrated delivery system. Standardization, measurable performance indicators as well as integrated into the daily management of the elements that must be met by the application of this system. Integrated logistics system also carries the application of Information Technology (Information Technology / IT) such as application usage tracking on each truck (car carrier) and barcode data collection and computerization in the vehicle to avoid product delivery errors. Before implementing this system, Toyota has prior training in enhancing the skills of human resources in the companies suppliers so that quality shipping and delivery from Toyota plants in Sunter and Karawang remain until arriving at the export port of Tanjung Priok.

***"The support of integrated logistics system is also one of the main keys to provide timely delivery service with quality products being maintained until accepted by the buyer in destination countries. This overall effort we do to strengthen Toyota's role as an export base as well as to support the goals in making Indonesia as a center of regional ports (port hub) in the Asia Pacific region," said Edward.***

In the field of human resource development, in accordance with the spirit of "We build people before build products", Toyota makes the employees as an important part in delivering quality vehicles globally. Toyota Indonesia has some of the instruments of human resources development among others in the form of a training center in Karawang unit and Sunter, a college automotive manufacturers namely Toyota Indonesia Academy (TIA), pushing the idea of suggestion (idea fixes) of employees with a bottom-to-top, Quality Control Cycle (QCC) or quality control, and involve employees in the skills competition at the national, regional, and international levels.

***"The success of Toyota products in domestic and international arena can not be separated from the achievements and hard work of our employees to always prioritizing quality. To uphold the principle of 'Continuous Improvement' we establish and build character of Toyota Indonesia HR in a competitive world," said Bob Azam, Director of Administration PT TMMIN.***

Toyota Indonesia in accordance with the spirit of "Toyota Berbagi" (Together Building Indonesia) is committed to continuously contribute to society through the promotion of production activities, export, distribution, and customer service in Indonesia. In addition, Toyota is also constantly developing products that exceed customer expectations in line with the spirit to contribute significantly in the development of Indonesia's automotive industry. (\*)