

## Reinforcement of Business Control Function in China

Toyota Boshoku Corporation (Headquarters: Kariya, Aichi Pref., President: Shuhei Toyoda) will modify the corporate form of TOYOTA BOSHOKU (SHANGHAI) CO., LTD., a subsidiary of Toyota Boshoku Corporation and their controlling company in China, from a commercial-type company to an investment-type company in order to reinforce its business control function. Accompanying the modification, its capital will be increased by US\$30 million (approximately 3.45 billion yen), and its company name will be changed to TOYOTA BOSHOKU (CHINA) CO., LTD.

Toyota Boshoku Corporation has so far established 12 production bases in China which manufacture seats, interior components such as door trims, filtration and power train components. The new company will advance the reinforcement of its system as a controlling company in order to operate the business more efficiently in the area as a whole and to perform the centralized control of every function, with the aim of managing the whole area through one company.

Together with its global business expansion, Toyota Boshoku Corporation is aiming at establishing centralized, efficient business management systems through controlling companies at the four poles of the world, namely the Americas, China, ASEAN and Europe. The current modification of the corporate form is part of such activities.

The outline of the new company is as follows:

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| 1. Company Name:                   | TOYOTA BOSHOKU (CHINA) CO., LTD.   |
| 2. Location:                       | Pudong New District, Shanghai, China   |
| 3. Established:                    | March, 2002  |
| 4. Modification of Corporate Form: | December, 2007 (scheduled)   |
| 5. Capital:                        | US\$32 million (approximately 3.68 billion yen*)   |
| 6. Ownership:                      | Toyota Boshoku Corporation: 100%   |
| 7. President:                      | Tsumoru Ikeda  |
| 8. Line of Business:               | Controlling business of the Chinese area and development, design and the sale of seats and interior components |
| 9. Number of Employees:            | 330 (scheduled for 2009)   |
| 10. Sales Volume:                  | Approximately 240 million yuan (3.6 billion yen*)<br>(predicted volume in 2009)                                |

\* Calculated using the exchange rates of; US\$1.00 = 115 yen and 1 yuan = 15 yen.