

ECONOMIC PERFORMANCE

Making Toyota go **waku-doki**

Toyota Kirloskar Motor and all the related stakeholders including the Toyota Suppliers & Dealers network make a significant contribution to the regional economies and communities, in which they operate, including direct and indirect employment, supporting local suppliers and community organizations, capital investment and payment of taxes.

THE YEAR GONE BY ECONOMIC PERFORMANCE

The last financial year was challenging for Toyota due to floods in Thailand and the earthquake in Japan, impacting supply conditions across Toyota global operations and India alike. In addition, the global economic crisis, ever rising inflation and the depreciation of currency continues to exert pressure on business. However, through the combined efforts of our business functions, we have improved TKM's economic flexibility by encouraging efficiency-improvement in our operations and strengthening risk management in the supply chain.

Other highlights include: On a regional basis, we have made significant cost reduction efforts over the past years and we continued our efforts in 2011. We are now starting to reap the benefits of our improved cost structure. To mitigate the effects of catastrophes such as the Thailand flooding on our global supply chain in the future, we are focusing on using more standard parts and increasing regional parts sourcing.

Key Economic Challenges faced by TKM

- 1 Japan tsunami
- 2 Thai floods
- 3 FOREX conditions [rupee depreciation against dollars: leading to higher cost incurred on imports of production parts from countries like Japan, Thailand, Vietnam, etc. who trade in terms of US \$]
- 4 Inflation & Loan RoI increase affecting the consumer's capacity to buy
- 5 Strong competition in the market with entry of many brands/models in small car segment, MPV & SUV segments



Toyota Kirloskar Motor's outstanding revenue performance and highest level of tax compliance in Bangalore Central excise zone for the year 2010-11 has earned it the Award: SANMAN PATRA on the occasion of Central Excise Day celebrated on 24th February 2012, hosted by Central Excise department, Ministry of Finance, Government of India.

The cumulative sustainable efforts taken during the course of reporting year have resulted in a positive economic performance. The reporting period saw a rise in turnover by over 47.86%.

TKM has been granted tax deferment for 18 years by the state exchequer.

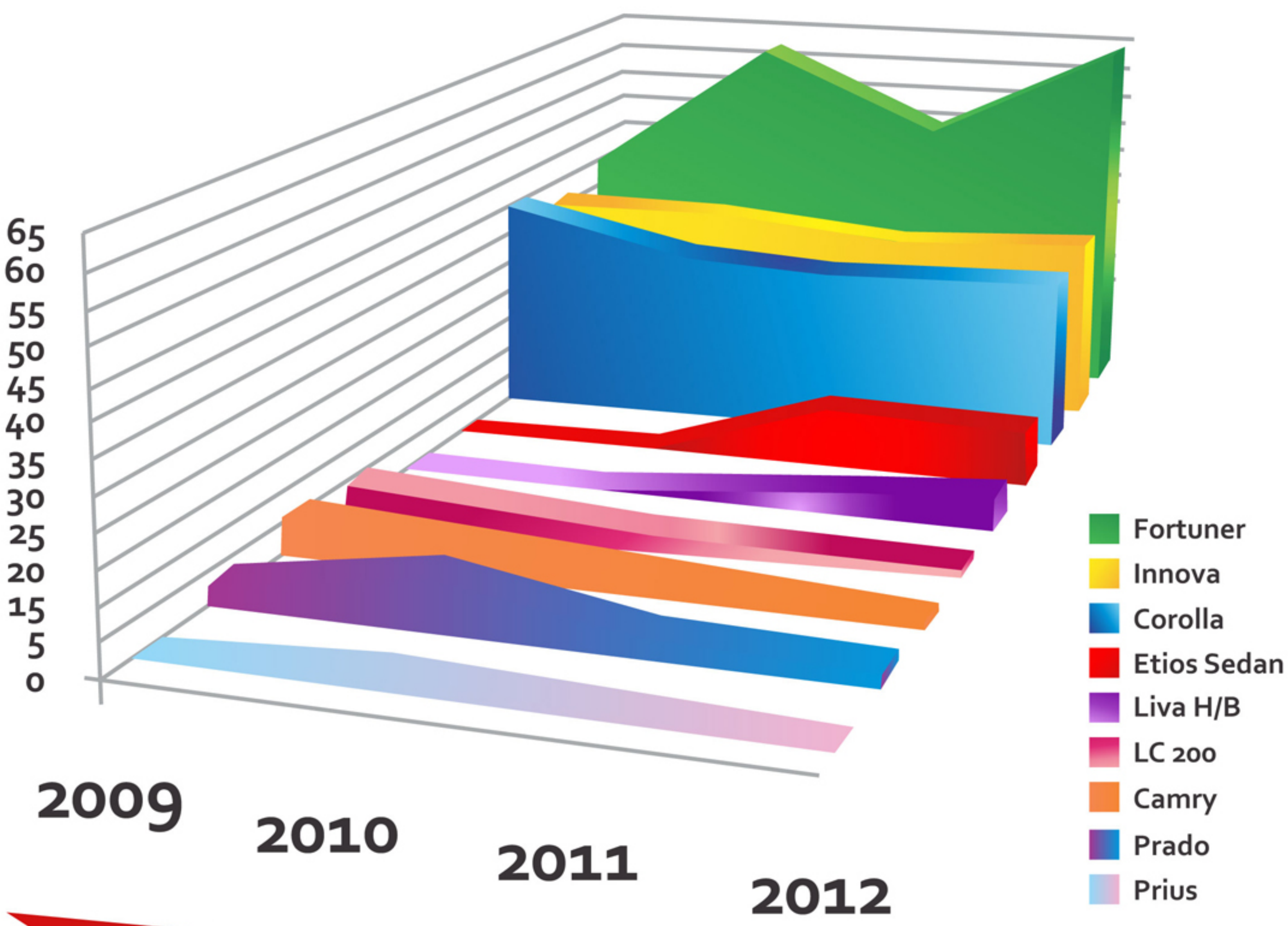


KEY FINANCIAL DATA

		2010-2011	2011-2012
Total Revenue	Rs. Crore	7838	11589
Profit after Tax	Rs. Crore	222	(-) 27
Total Assets	Rs. Crore	3637	4527
Shareholder's Equity	Rs. Crore	700	700
Basic/ Diluted Earnings Per Share	Rs. Crore	3.17	(-) 0.38

THE YEAR GONE BY ECONOMIC PERFORMANCE

Sales Volume & Market Share Data 



 Sales Volumes & Share of Turnover 

Product / Services	Production			Share of Turnover (%)		
	2009 - 2010	2010 - 2011	2011 - 2012	2009 - 2010	2010 - 2011	2011 - 2012
Manufactured Vehicles	63269	83814	159986	84%	84%	88%
Traded Vehicles	504	681	263	3%	3%	1%



Etios Export to South Africa

The year 2011-12 saw a major milestone for Automobile exports for TKM. TKM has now transformed from a domestic company to a global player. TKM started the exports of Etios to South Africa and parts to Brazil and Indonesia. Two functions were held to celebrate TKM's union with TSAM [Toyota South Africa Motors]. The export business is known to boost the local & national economy at large. TKM shall continue to enhance the exports to more regions in future, thereby creating & strengthening the customer base and economic sustainability.

Etios goes to South Africa



Mr. Anand Pather (VP-TSAM) is given a traditional welcome at Bidadi.



Mr. S.R. Deepak, Mr. K. Jothiramalingam (Principal Secretary, C&I), Mr. S.V. Ranganath (Chief Secretary), Mr. Vikram Kirloskar, Mr. H. Nakagawa and Mr. Anand Pather (VP-TSAM) at the Etios Export Ceremony.



Mr. Tomonaga and TKM representatives officially handing over the keys to Mr. Anand Pather and the TSAM team.



Shipping quality confirmation team.



Mr. R. Ashok and Mr. Murugesh R. Nirani at the official lamp lighting ceremony.



TKM and members from Govt of Karnataka officially opening the ceremony.



Rows of Etios waiting for shipment.



View of Etios under shipment.

