

Financial Results Statement for FY2026:
Prepared Remarks by President Kenta Kon

I am Kenta Kon.

I would like to share my thoughts on Toyota's management philosophy.

Since I was appointed president in April, I have been visiting worksites across our operations, including development, certification, plants, suppliers, and dealers. There, I saw firsthand how our frontline members are working tirelessly to build ever-better cars even as they face numerous issues.

That experience has once again reminded me of just how remarkable Toyota's frontline capabilities are, including our ability to develop skilled talent, our culture of continuous improvement focused on perfecting the Toyota Production System, the widespread adoption of problem-solving methods, programs for full employee participation, and the energy to see things through without blaming others.

Of course, even so, we still face many challenges.

For example, I feel there is still significant room for improvement in our management and administrative operations. Those of us in such positions, by further examining where our abilities truly lie, can move beyond simply "managing" the front lines and instead get directly involved to support operations. Instead of just "managing" numbers on paper, we actually need to reduce costs at our worksites. From management work to work that creates value... I feel we need to return to the starting point of Toyota work—the Toyota Production System.

The strength of manufacturing lies in having both products and genba, or sites where the action takes place. By looking at a production line's speed, we can tell whether products are selling. When an abnormality occurs, the line stops. Things break, and defects occur.

One challenge after another arises, and no two days are ever the same. Unless we solve the problems right in front of us, we cannot deliver cars to our customers.

On the front lines, there is no place to hide .

That's precisely what gives rise to a strong desire to improve the situation, drawing out wisdom and ingenuity, and cultivating individuals capable of critical thinking.

I believe it is my role to create such an environment and continuously send skilled talent into it.

I view our 17 years under then-President Toyoda and then-President Sato as a period during which we, guided by the motto “Let’s make ever-better cars”, adopted product- and region-centered management and established our foundation as a global, full-lineup automobile manufacturer.

As a result, we can now aim for both carbon neutrality and freedom of movement for all.

I will increase the number of people who can build ever-better cars.

I believe that doing so is the engine for Toyota’s sustainable growth and my mission.

Although I’m a novice driver, I sometimes receive driving instruction from our evaluation drivers.

“Brakes are there to help you go fast. Without good braking, you can’t step on the accelerator”.

That’s what Chairman Toyoda said to me at the time.

To me, “to accelerate” means not letting up on our growth investments and seeing them through to the end.

A global full lineup, our multi-pathway, a hydrogen society, AI and robotics, and Woven City—all of these are important, and we have colleagues who are working tirelessly on the front lines of development to turn them into reality.

With so many new technologies and players emerging these days, we are in an era without clear-cut answers.

That’s precisely why my role is to encourage colleagues to take on challenges without fear of failure.

Looking back, when Chairman Toyoda became president in 2009, our company had just fallen into the red due to the global financial crisis. We were facing a critical juncture that threatened our very existence. At the time, I was working as one of Mr. Toyoda’s secretaries.

“Being in the red means I can’t let anyone take on new challenges.”

I witnessed Mr. Toyoda regularly making decisions that saddened people—decisions to abandon various undertakings.

I have never forgotten that.

We have always been committed to sustainable growth, believing that even rapid growth would highly inconvenience many people if it were to reverse suddenly.

It is precisely because we have this foundation that, even in the current situation in which the external environment is becoming increasingly uncertain, we can remain determined to implement reform and continue taking steps toward our future growth.

The automotive industry's broad base makes it a core industry that creates a great number of jobs. Also, mobility will remain indispensable to people and society into the future.

That's precisely why Toyota must stay strong. And we must endeavor to have many people see Toyota's growth as a good thing.

We will grow sustainably together with our 5.5 million colleagues across Japan and with our stakeholders worldwide.

I believe that is the kind of Toyota management required.

While visiting various worksites over the past few months, many people approached me and taught me a great deal.

Cherishing colleagues who speak their minds in this way, I will strive so that they will be able to say to me: "You've made a decision" and "You've taken responsibility."

While cherishing opportunities for many colleagues to take on new challenges, all of our members will strive in unison to realize a Toyota in which both the company and its people can continue to grow.

We would greatly appreciate your continued support.