

NEWS from
TOYOTA

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PICKUP TRUCK PRODUCTION BEGINS AT VW HANOVER PLANT

Toyota City -- At a ceremony held today in the Federal Republic of Germany, TOYOTA MOTOR CORPORATION and Volkswagen AG (VW) marked the completion of their first jointly produced pickup truck. The trucks are being built at VW's Hanover plant and will be marketed in Europe through the two companies' separate, local dealer networks.

Under an agreement signed in June of 1987, Volkswagen will build 15,000 units annually of the Toyota-designed, one-ton Hilux 4 x 2 pickup. Volkswagen will receive two-thirds of that production and will market the vehicles under the name Taro. Production for 1989 is scheduled to reach 7,500 units and have a local content ratio of about 40 percent. At full production in 1990, however, the local content of the vehicles is slated to exceed 60 percent.

The market for one-ton pickups in Europe is a relatively small one, with total sales in 1988 reaching about 68,000 units, mainly in the commercial segment. Steady growth, however, is anticipated in the future as demand gradually increases among private buyers as well.

Today's ceremony was attended by local government officials, Volkswagen Chairman Dr. Carl Hahn and Toyota Executive Vice President Tatsuro Toyoda.

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