

TOKAI RIKAI GROUP 2015 VISION

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 **TOKAI RIKAI**



Have you imagined what Tokai Rika Group will be like in 2015?

With this new vision to guide us, we at Tokai Rika Group will take a powerful leap toward our dream: to become the top-quality company in the industry.

Five years have passed since the formulation of the "TOKAI RIKA 2010 VISION." The social environment and economic climate have changed more quickly than anticipated.

Thanks to the support of all our stakeholders, customers and shareholders alike, Tokai Rika Group has rapidly expanded the size and scope of its business activities through technological development, enhancement of mono-zukuri (manufacturing fundamentals) and expansion and improvement of globalization. We believe that we are now close to achieving the target set in the 2010 VISION, "to grow into a global company that meets future expectations," and that we are ready to take further steps.

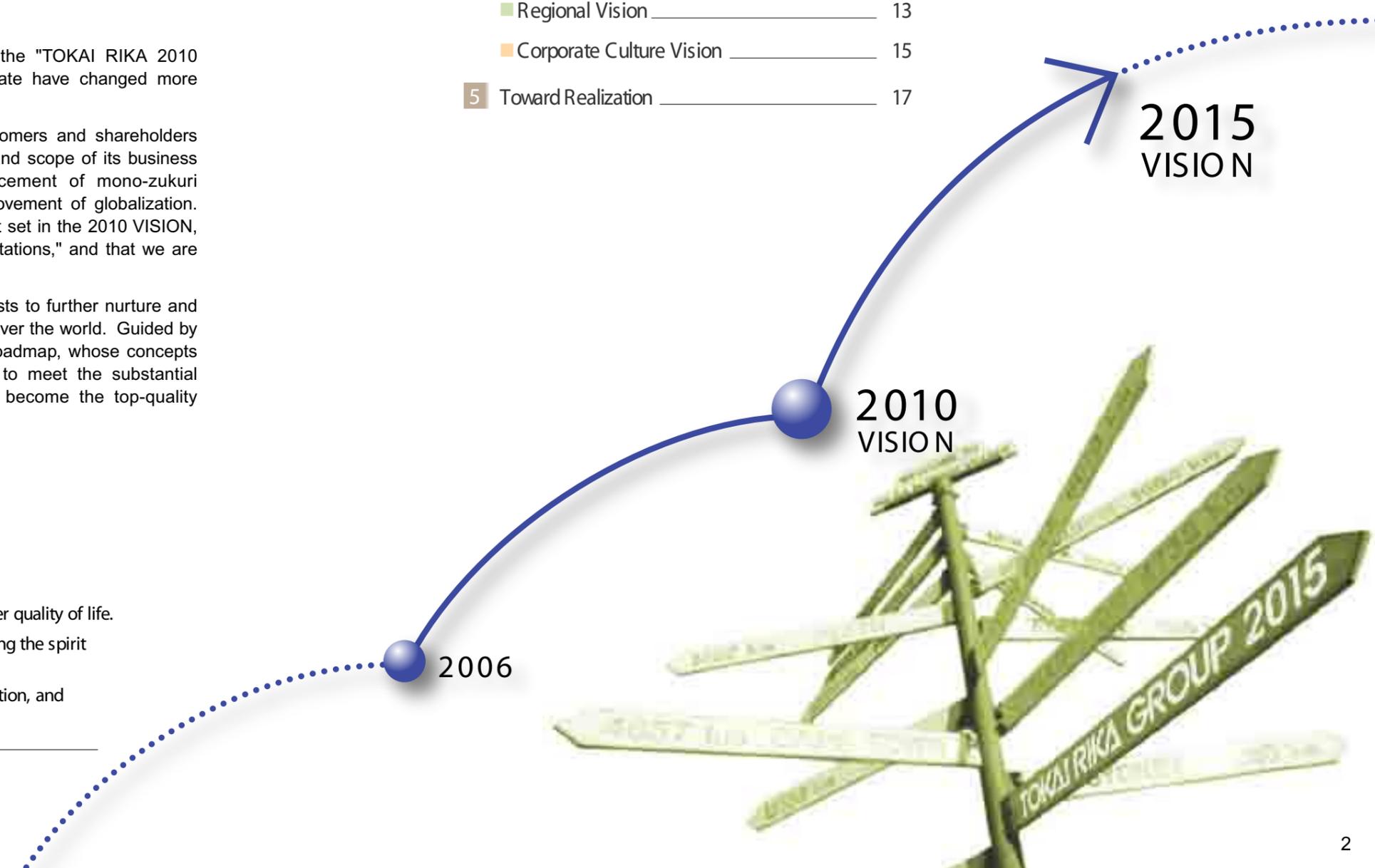
What we at Tokai Rika Group now need are guideposts to further nurture and solidify our strengths which we have been cultivating all over the world. Guided by the Tokai Rika Group 2015 Vision, our new corporate roadmap, whose concepts were contained in the 2010 Vision but have evolved to meet the substantial changes of the times, we will vigorously advance to become the top-quality company in the industry.

Tokai Rika Group's Business Philosophy:

1. To create products that satisfy customers and to contribute to a higher quality of life.
2. To build an energetic and promising business organization by nurturing the spirit of originality, enthusiasm and innovative challenges.
3. To honor the language and spirit of the law and the ethics of every nation, and to work in harmony with nature and local communities

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What should we consider first in creating the 2015 Vision?

Let us reconfirm our ideal situation by unerringly anticipating future trends.

If we broaden our outlook and look into the future, what kind of world will we see?

In the coming age, all issues including the global environment and the global economy will be intricately intertwined, causing change to accelerate.

The automotive industry, in which we are involved, has seen even more advances in technical innovation, and new efforts have already begun. These new efforts concern challenges in manufacturing cars, for example to make cars that are even friendlier to the natural environment, cars that prevent accidents before they happen, and cars that contribute to the health of drivers and passengers.

In order to keep pace with such developments, we have to thoroughly analyze our strengths and weaknesses even as we clearly recognize the importance of corporate social responsibility.

We will reaffirm the idea that "the essence of mono-zukuri is to cultivate human resources" and meet the challenges of the next generation by conducting continuous improvements and by making the most of our sensibilities and intelligence.

Corporate Social Responsibility (CSR)

- To place greatest priority on workplace safety.
- To maximize corporate value and establish a highly transparent corporate management. (corporate governance)
 - To disclose information in a timely and appropriate manner.
 - To ensure compliance with corporate ethical principles.
 - To respond to various risks associated with global management.
 - To proactively respond to global environmental issues related to all business divisions.
 - To globally engage in social action programs including community development, nature conservation and human resource cultivation.

Associates/ Business Partners

- Our human resources consist of a variety of nationalities and ethnic groups. Associates should always be mindful of human dignity.
- An open and fair business culture will be established.
- The essence of mono-zukuri is to cultivate human resources. kaizen(improvement),Kaizen,KAIZEN,bold ambition and perseverance...

Global Environment

- The importance of conservation and improvement of the global environment is increasing.
- The use of environmental pollutants is being reduced even further. Recycling and reuse of resources are being more actively pursued.
- Technological innovation in response to environmental concerns and increasing energy-related

Society/Life

- Increasing world population combined with lower birth rates and an aging populace, both of which have come to pass mainly in developed countries, will lead to compositional changes in society.

Global Economy

- A global market economy is being established and its expansion will accelerate.
- The global economy, with a focus on BRICs*1, will grow rapidly.
- The Free Trade Agreement framework will continue to make headway worldwide.

* 1 BRICs : Brazil,Russia,India and China

Technology and Development

- Environmental and safety technologies will advance rapidly.
- The IT revolution will continue and bio-technology will advance rapidly.

Automotive Industry

- Two trends, sophisticated functions and cost reduction, will make headway globally.
- Harmonization with the global environment and social infrastructure, and response to trade conflicts will be required.
- Full scale ITS implementation and expansion of a ubiquitous network will be realized.

*2

* 2 ITS : Intelligent Transport Systems

Customers

- We will pursue four themes: environmental conservation, safety, comfort and security.
- We will strive for global optimization of purchasing, production and sales by segregating sophisticated functions and cost reduction.
- We will proactively offer proposals as a parts manufacturer based on our conception of cars in their entirety.

To take on the challenges of the next generation by conducting continuous improvements and by making the most of our sensibilities and intelligence

Let us clearly define our goals for the future.



Tokai Rika Group will strive to become "a global corporate group in demand worldwide that is able to anticipate the future", a unique and indispensable corporate group.

With this new vision, what are we aiming for and what kind of dreams will we share?

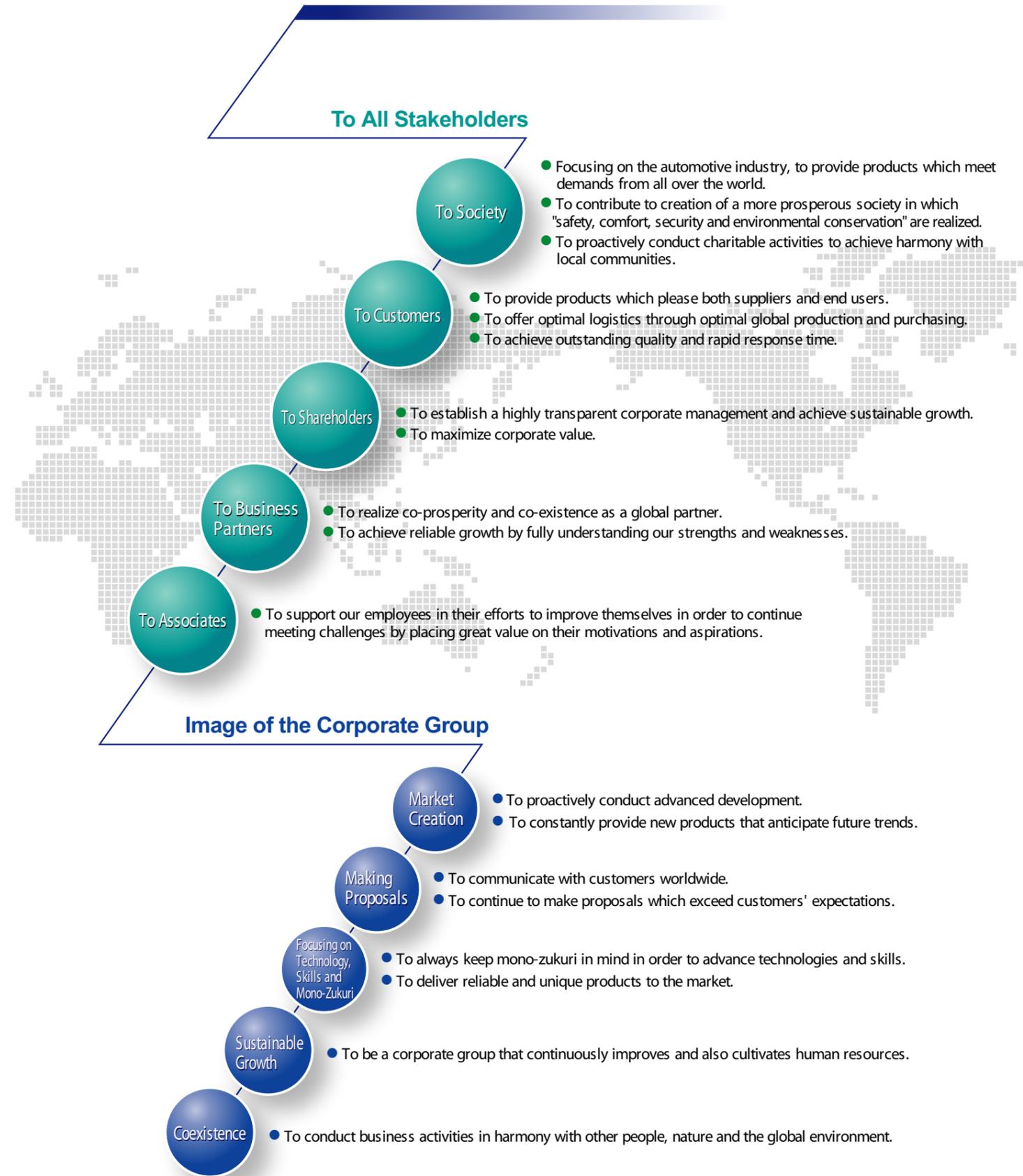
Our business philosophy is "To create products that satisfy customers and contribute to a higher quality of life." We must portray this changeless philosophy as the ideal image for 2015, and joining together as one, carve a path to the future.

Our goal at Tokai Rika Group, which has businesses developing globally, is not only to enter into and expand in all global markets but also to be trusted the world over as a unique and indispensable company.

In order to achieve these goals, we will push ahead, aiming for the ideal situation for 2015, to become a "global corporate group in demand worldwide that is able to anticipate the future" by reaffirming the strengths we have heretofore fostered as the strong points of the entire group.

A Global Corporate Group

in Demand Worldwide that is Able to Anticipate the Future



3

How to Proceed in Making Our Vision a Reality



How should we proceed in order to achieve our goals?

We will make our Business, Function, Attribute, Regional and Corporate Culture visions a reality based on the key concepts of "Improvement," "Creation" "Autonomy (being your own boss)" and "Harmony."

Now that we have established our vision for 2015, in order to make these goals reality we must clarify our fundamental plan.

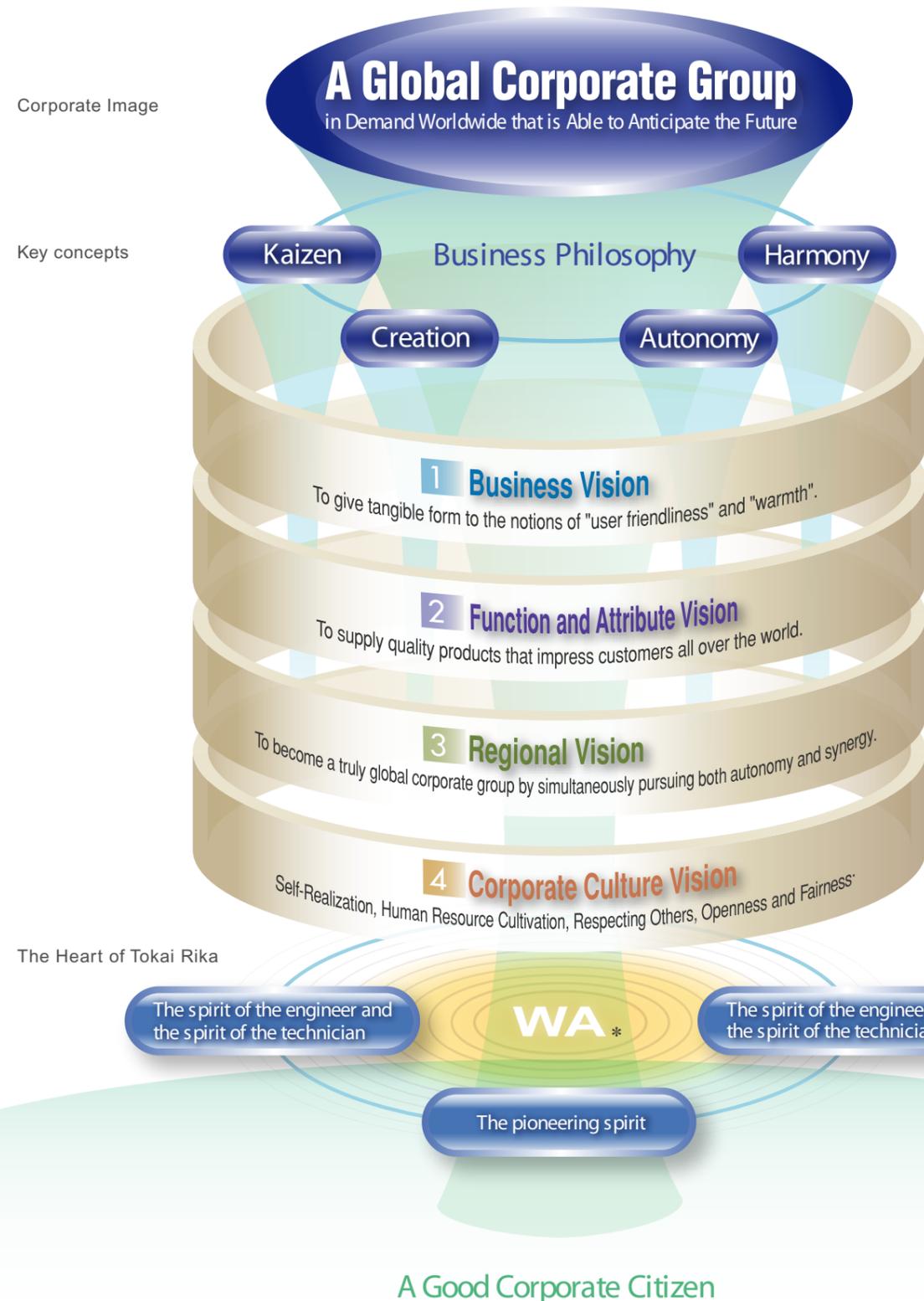
That plan is to realize our goals for Business, Functions and Attributes, Regions and Corporate Culture based on four key ideas: "Improving" the quality of all kinds of work, "Creating" a path to the future by taking on such challenges as new monozukuri, achieving "Autonomy", through which we think for ourselves, discipline ourselves and take responsibility for our own actions, and lastly "Harmony", that will let us forge close relationships with our partners from a variety of regions and fields and help us grow in company with them.

In order to realize these visions, we need to give a concrete shape to these key concepts throughout every place we work and strive to put them into practice through the collective efforts of all associates throughout the group.

Since the foundation of Tokai Rika Group the "DNA" of respecting harmony among people has been continuously handed down and inherited. We have continued to pass on predecessors' sense of values to subsequent generations by further honing the principles involved and by trusting in our strengths to carry us toward our goals as a team regardless of any challenges.

KAIZEN and Breakthrough with Confidence.

To further develop the strengths we have been cultivating and push forward with confidence.



* WA (unity/power of teamwork/tenderness/peace/harmony)

1 Business Vision

What is the ideal direction for business and how should we approach mono-zukuri?

We will give shape to the ideas of "adding a more human dimension" and "becoming ever more impressive" by evolving from mere ergonomic to kansei (sensibility) engineering and giving tangible form to the notions of "user friendliness" and "warmth."

"Safety, comfort, security and environmental conservation, " have been mandated by the times.

We have been studying how people drive cars, and by combining and coordinating various technologies and skills have developed ergonomics as a core technology with the theme of making cars "safer, more comfortable and more secure".

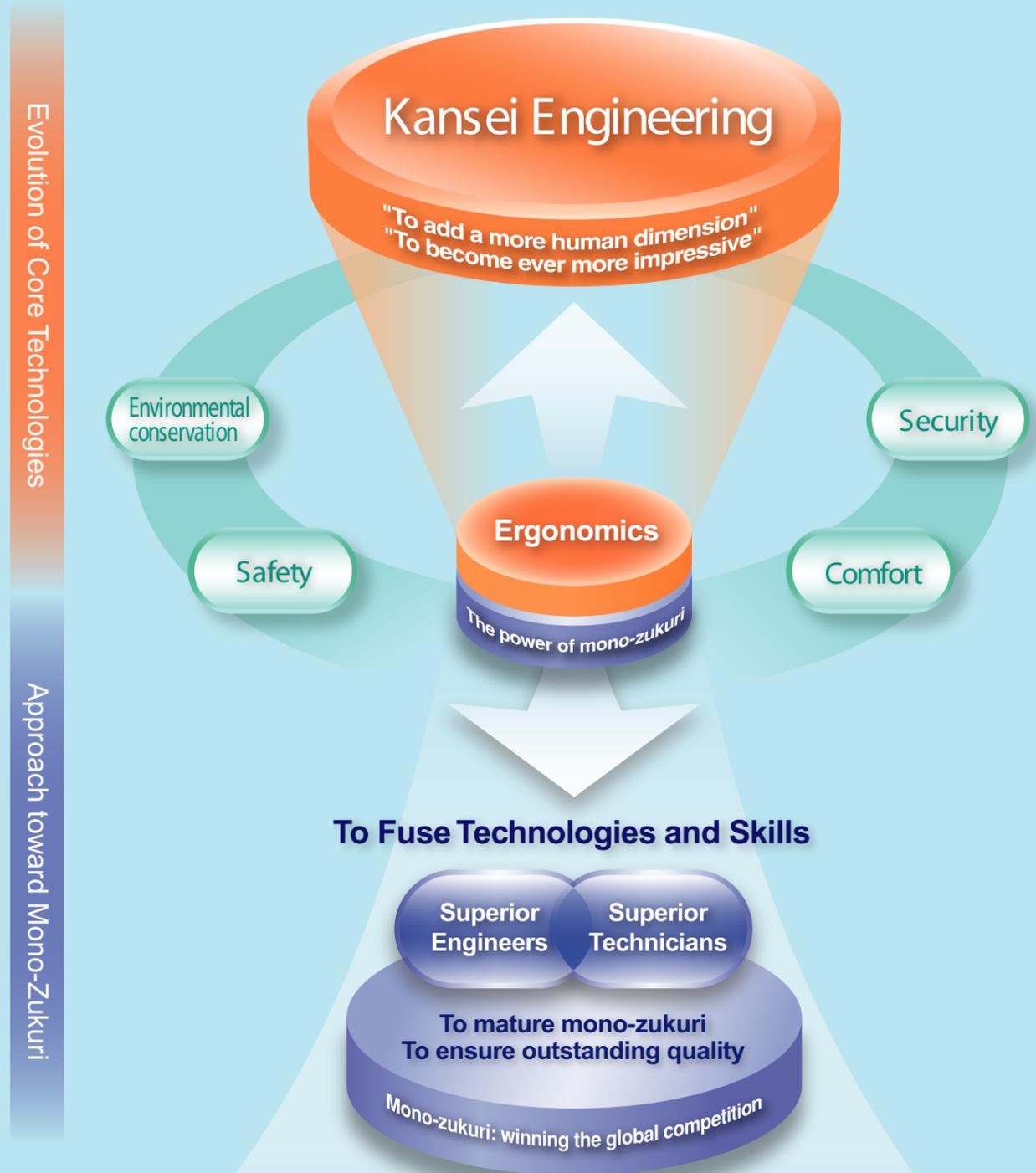
We now aim to leap forward and evolve "kansei (sensibility) engineering" based on our comprehensive design capabilities, in order to give shape to the ideas of "adding a more human dimension" and "becoming ever more impressive".

We will also give tangible form to the notions of "user friendliness" and "warmth" by giving sensibilities such as health, comfort, hospitality and enjoyment concrete form.

In addition, in order to win the global competition, we will aim to mature mono-zukuri by fusing technologies and skills and by efficiently and rapidly developing of future-oriented products, technologies and production engineering.



Giving Tangible Form to the Notions of "User Friendliness" and "Warmth"



2 Function and Attribute Vision

What sorts of attributes are needed for a company to provide quality services and products that will impress customers?

We will further improve our strengths, mobility, flexibility and the ability to quickly evolve, to improve the quality of our associates and our work.

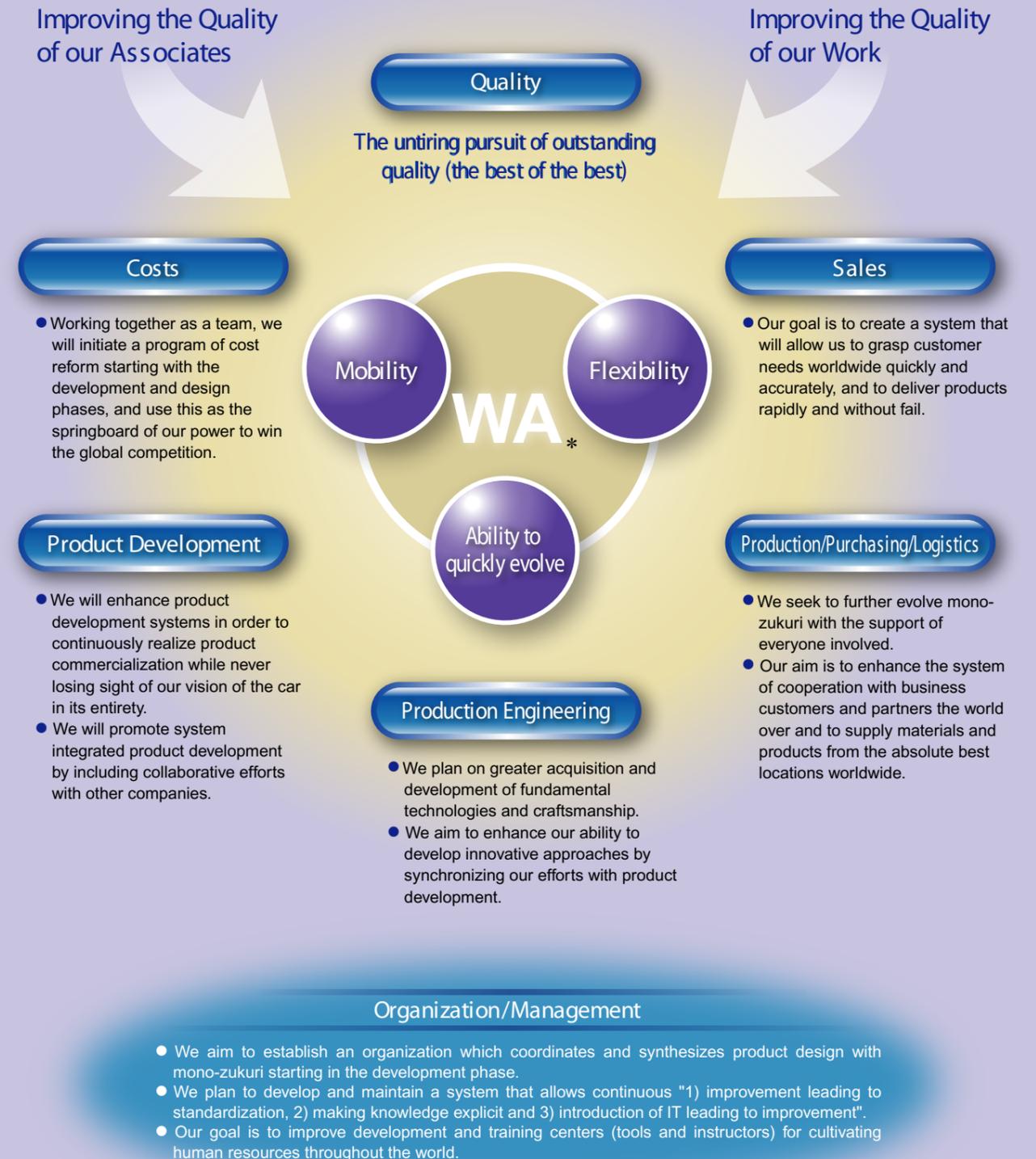
Many of our products have qualitative characteristics such as appearance or emotion that are related not only to function but also to people's sensibilities and feelings, and consequently we believe that manufacturing such products is especially difficult.

"Quality" is the result of all kinds of different tasks. In order to obtain better results, it is important to improve the "quality our of work" in the process of production and the "quality of our associates", the basis of production. We intend to further enhance our capabilities and attributes through such means as thoroughly conducting preventative measures.

We have strengths which we have been long cultivating that will be useful in improving overall quality. Unhampered by fixed conceptions of organization and company systems, we are able to exercise these strengths, mobility, flexibility and the ability to quickly evolve, based on the principle of "harmony among people", to suit different situations and purposes. We will further augment these strengths and thereby intend to improve overall quality of product development, production, purchasing, sales, and more.



To Supply Quality Products which Impress Customers All over the World



* WA (unity/power of teamwork/tenderness/peace/harmony)

3 Regional Vision

What must we do to become a truly global corporate group?

We will promote global management through the simultaneous pursuit of both autonomy of and synergy between our operating sites throughout the world.

Our ideal is to be a group of globally managed companies aiming for global optimization in which each of our operating sites around the world operates autonomously, yet also achieves synergy with all the others.

We have promoted mono-zukuri by establishing and maintaining production and logistics sites worldwide. We are now promoting a system through which the forte of each site can be put to use in the efficient sharing of production duties, for example by supplying each other.

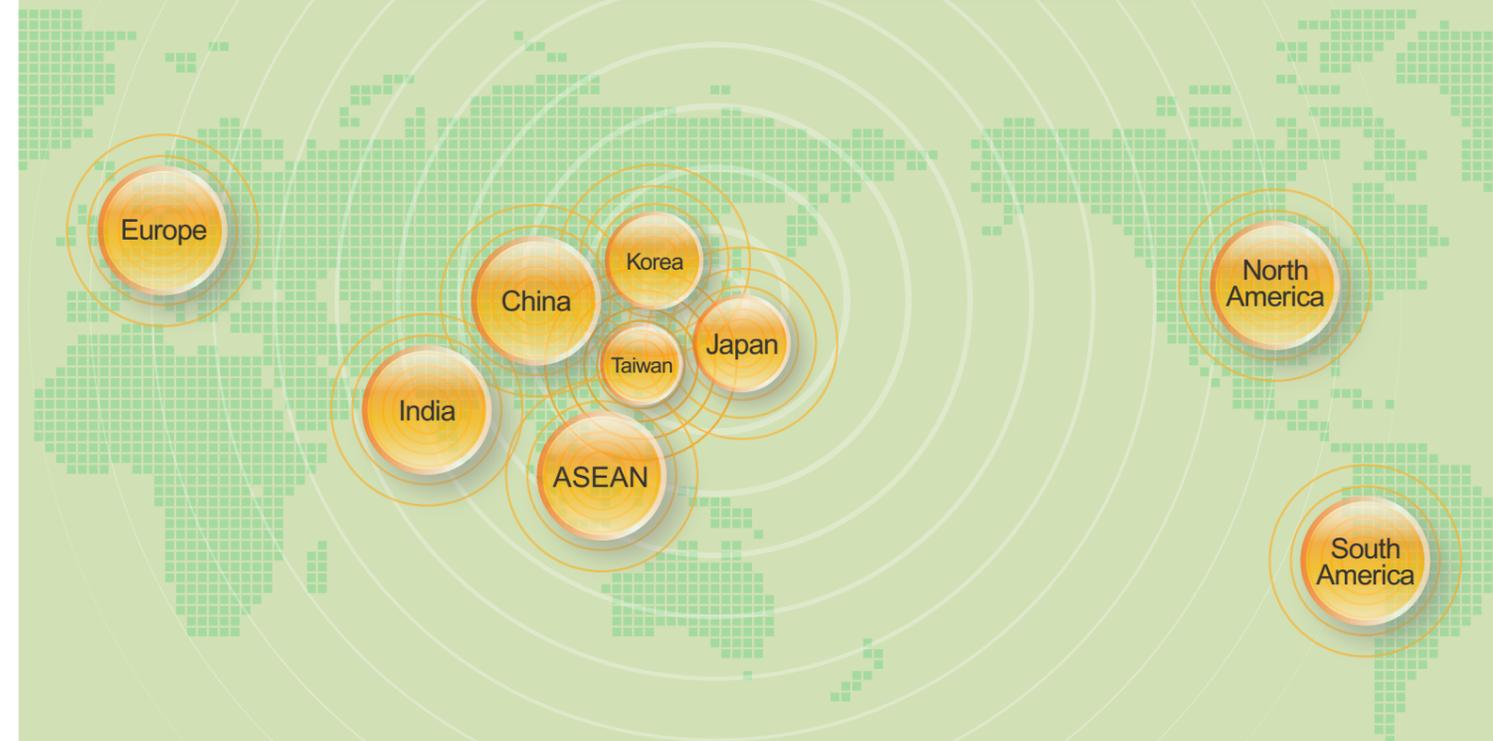
We have also been working to establish a global development and evaluation system and plan to further expand the global work sharing system and complementary regional system.

While all sites around the world continue to improve and make efforts to cultivate human resources, we will aim to realize both community-based management and global management by such methods as enhancing collaboration among sites and improving the functional capabilities of regional headquarters.

In order to become a truly global corporate group, we will maintain a shared sense of values throughout the group. In addition to proactively pursuing the establishment of global standardization processes and the introduction of IT, we will aim for even more localization of management through development of local management executives. We will also aim for harmonious coexistence with our global partners. As, we will actively promote the globalization of our headquarters in Japan.



Becoming a Truly Global Corporate Group by Simultaneously Pursuing Both Autonomy and Synergy



4 Corporate Culture Vision

Let us consider once more the image of corporate culture that we should protect and nurture.

We would like to become a corporate group that thinks for itself and pursues self improvement, thinks and grows as a team and never gives up but follows through to the end.

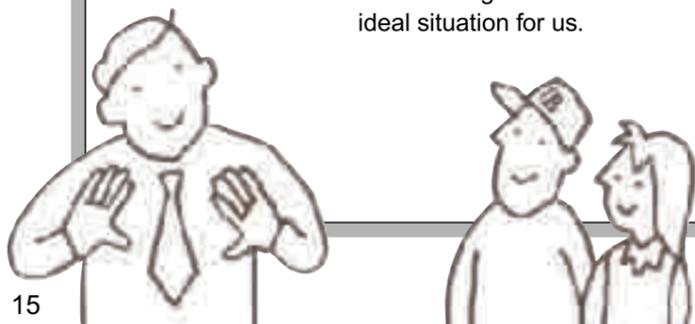
The key premises that should take precedence over all else in creating the workplace are respect for human dignity and for the various personality types that transcend nationality as well as the continuance of openness and fairness throughout the company.

Based on these premises, we always keep the idea of "never ceasing to do the right thing in the right way" in mind, think for ourselves and conduct kaizen activities. Through such processes, each and every place we work and strive and each individual employee will become stronger, our team will grow and the capabilities of the organization will increase.

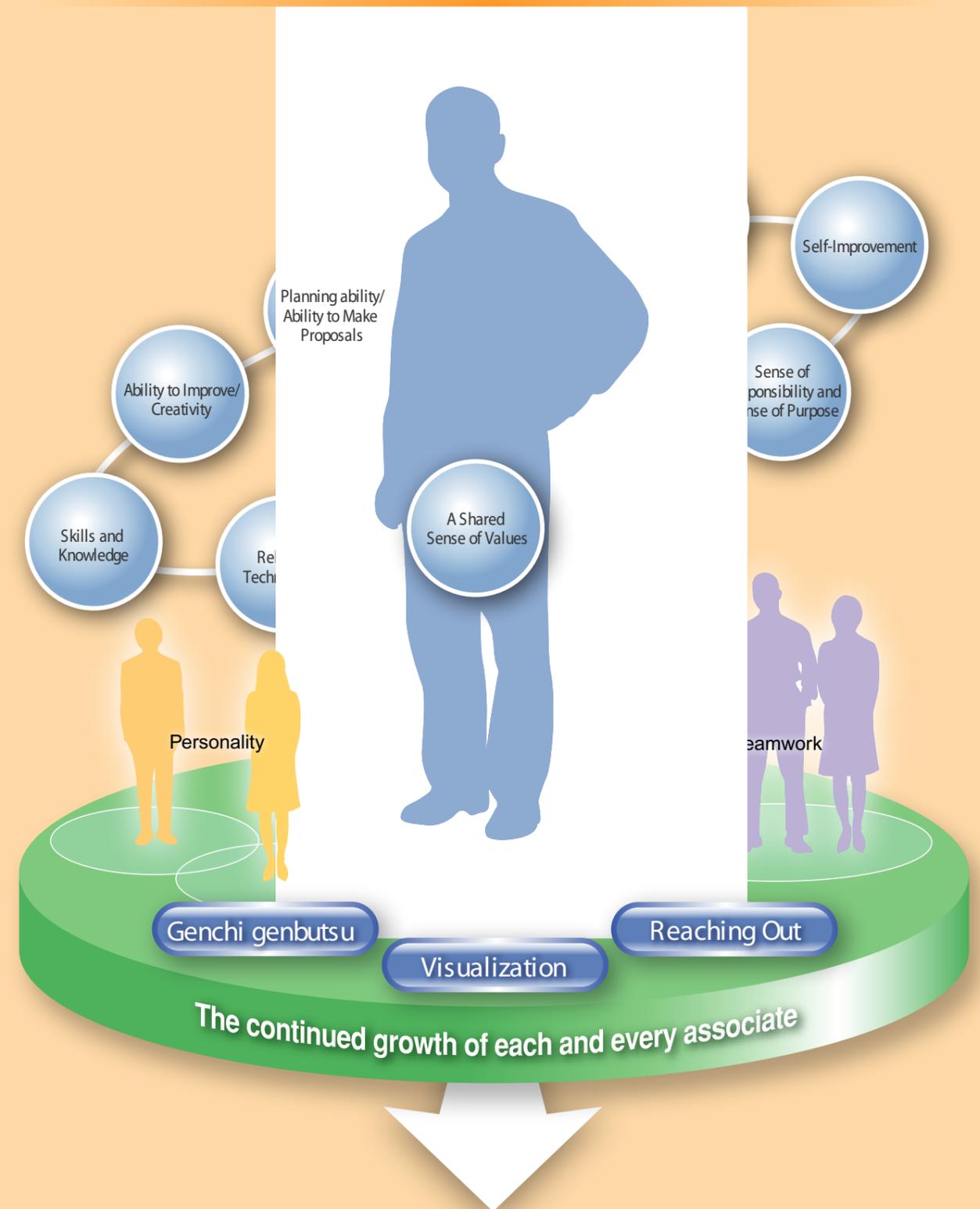
When doing business, it is necessary for us to practice activities concerned with "genchi genbutsu (go and see/study)," to ensure visualization by making issues explicit and to cherish the attitude that says "to start with, let's try", to pledge never to give up, instead making a tenacious effort to see things through to the end. By repeatedly practicing such activities, we will be able to refine both our ability to improve and our creativity.

It is also important to conduct "Reaching Out" activities by which employees can pass beyond the rigid boundaries of their own tasks and divisions. For example, by helping with the processes just before and after their own assigned tasks or by working for related divisions.

We should work to help keep each and every associate's eyes always fixed on his or her goals, and then help each make efforts to achieve those goals. By doing so, the level of the entire group will take a giant leap forward. We have no doubt that working to mature and evolve our corporate culture to bring this about is the ideal situation for us.



Self-Realization, Human Resource Cultivation, Respecting Others, Openness and Fairness



Dramatic improvement for the entire Tokai Rika Group

5 Toward Realization



The lead role on the path to becoming the top-quality company in the industry is ours to play.

We at Tokai Rika Group, now that we've defined our vision for 2015, possess great potential.

All our associates throughout the world share the same goals and are beginning to take new actions to achieve these goals and make our dreams reality.

Whether we will be able to leap forward and become "a group of global enterprises in demand worldwide that is able to anticipate the future" depends on ourselves. Let us take a powerful leap toward our dream of becoming the top-quality company in the industry by passing on and improving our concept of value, "the Heart of Tokai Rika," the source of all actions taken by all associates through the generations.

The Heart of Tokai Rika

The spirit of the engineer and the spirit of the technician

- The spirit of the engineer helps us create reliable products by always including the viewpoint of end users and by taking on the challenge to create attributes/functions and designs that appeal to the five senses.
- The spirit of the technician has accumulated and improved upon various fundamental and production technologies which support mono-zukuri.
- Developing new products that fuse the spirit of the engineer and the spirit of the technician: this is the essence of mono-zukuri.

WA *

Our corporate culture places importance on respecting all individuals and valuing the rich diversity of human resources of different nationalities, and it is this corporate atmosphere that has helped all our associates to get through difficult times as one.

The pioneering spirit

- Thanks to their pioneering spirit, our predecessors were able to open up new businesses and expand existing business beyond the automotive field throughout every region on the globe.

To follow through on the tasks at hand straightforwardly and honestly

- In the tenacious spirit of seeing everything through to the end straightforwardly and honestly, we will thoroughly conduct "genchi genbutsu" (go and see/study) activities. We will work to continuously improve all places we work and strive, not only production sites related to mono-zukuri but also sales and design departments and offices.



Tokai Rika Group in 1948 (The Nishibiwajima Plant)



2015
VISION

Let us leap forward
by passing on
and helping to evolve
the spirit of Tokai Rika.