

Toyota Plans Fuel-Cell Car By 2015

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TOKYO (AFP) — Toyota Motor, the world's top automaker, plans to roll out a fuel-cell car by 2015 in its push to stay ahead in the global race for green autos, vice president Masatami Takimoto said.

His comments came at a shareholders' meeting at Toyota headquarters in Aichi prefecture in response to an investor's question about the company's outlook on zero-emissions technology, but he declined to elaborate.

Fuel-cell technology is considered a cutting-edge solution to reducing carbon dioxide emissions as it generates electricity by combining a fuel -- usually hydrogen -- with oxygen, and therefore only emits water.

Toyota began limited sales of a fuel-cell hybrid vehicle in 2002 in the United States and Japan, using technology from its best-selling Prius hybrids.

But carmakers have generally concentrated on implementing the more affordable technology used for hybrids or battery-powered vehicles.

Fuel-cell systems remain costly due to the technology involved and the fact that it is difficult to store enough hydrogen in a vehicle to allow it to travel as far as a conventional car.

Toyota is banking on greener cars to help it out of its current slump.

It fell into the red for the first time in nearly 70 years last fiscal year when it logged an annual net loss of 436.9 billion yen (4.4 billion dollars).

It expects an even worse performance in the current business year to March -- a net loss of 550 billion yen and an operating loss of 850 billion yen.

Vehicle sales are expected to fall to 6.5 million.

The company plans to expand its line of fuel-sipping hybrids and cut costs as part of efforts to return to profit. In May it launched its latest Prius, which was also the best-selling car in Japan that month.

Also at the shareholders' meeting, Akio Toyoda, the grandson of the group's founder, officially replaced Katsuaki Watanabe as president.

-- Dow Jones Newswires contributed to this report --

