

# Toyota loses top-selling automaker crown in 2016

TOKYO: Toyota lost its crown as the world's top-selling automaker in 2016, company figures showed Monday, with the Japanese giant overtaken by Volkswagen as the industry prepares for an uncertain trade environment under Donald Trump.



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The German automaker moved back into the top spot despite being hit by a massive emissions cheating scandal that rocked its reputation. The carmaker, once a paragon of German industry, was plunged into its deepest-ever crisis after it emerged in September 2015 that it installed emissions-cheating software in millions of diesel engines worldwide.

However, the crisis seemed to have little effect on the firm's standing with drivers as it announced this month that annual sales rose 3.8 percent in 2016.

The results were boosted by strong performance in China which helped push [total sales to 10.3 million](#), after slipping to 9.93 in 2015. VW group also includes the brands Audi, Porsche and Skoda.

On Monday Toyota said it sold 10.175 million vehicles worldwide last year, a 0.2 percent increase. The annual figures come as the industry faces an uncertain outlook year with President Trump threatening punitive tariffs on imports into the United States in a bid to force them to manufacture and hire there.

Trump targeted Toyota in one his fiery tweets, criticising its ongoing project to build a new factory in Mexico and threatening it with painful tariffs. He has also pledged to review several trade deals that he says are detrimental to American workers.

Japan's Kyodo News agency reported Monday that Toyota CEO Akio Toyoda will meet Japanese Prime Minister Shinzo Abe on Friday, ahead of the latter's scheduled summit next week with Trump. Toyota said it could not comment on the report, while Japan's chief government spokesman Yoshihide Suga would not confirm it.

Toyota shares ended flat Monday.

"Toyota has problems in China, whereas VW is very strong in China and is using it as an engine of growth," said Hans Greimel, Asia editor for Automotive News.

"That's the difference that matters," he told AFP.

"They might be neck-and-neck right now but maybe long term you have to be a big player in China, and Toyota is still playing some catch-up there."

"In the US, another key market, Toyota has a big advantage over VW but it is running out of steam because it is not able to tap the boom there for SUVs as much as its rivals."

Volkswagen admitted in September 2015 to installing so-called "defeat devices" in 11 million vehicles worldwide, after their existence was revealed by the US Environmental Protection Agency.

The software caused engines to reduce emissions of harmful nitrogen oxide when they were undergoing regulators' tests. VW agreed this month to plead guilty to fraud and pay fines amounting to \$4.3 billion in the United States to close its emissions cases with the Department of Justice.

*Source: AFP*

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