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**DEEP DIVE SESSION 3: KINTO - SCRIPT**

**BY TOM FUX, VICE PRESIDENT MOBILITY & CEO TOYOTA FLEET MOBILITY, Toyota Motor Europe**

Good afternoon ladies and gentlemen,

Earlier this year I shared with you exciting plans for our new KINTO brand and mobility services.

But I think it is fair to say none of us had any idea what extraordinary challenges 2020 would bring for the mobility sector.

1. **Toyota still believes in Mobility company**
	* **COVID impact**

Mobility businesses are facing severe setbacks due to Covid-19 – reduced funding, fewer customers, less liquidity – and plenty have made the difficult decision to scale back operations, merge or even withdraw from the market.

We have also seen a challenging impact on our own mobility operations - and we have implemented necessary measures to ensure safety and confidence in our services.

But on the other hand, the pandemic is an incredible accelerator. People have been increasingly aware about how much we need to change our lifestyle.

We have seen a higher demand for more personal mobility - and at the same time, demand for greener ways to move around.

These are all very positive trends for our mobility solutions, providing amazing opportunities for KINTO services across car subscription, car-sharing and car-pooling.

o **Time now is better than ever**

With all this in mind, we truly believe that the opportunity today is greater than ever.

-Consumer demand for smart and flexible mobility will grow.

-And the shift from ownership to usership will continue to gather pace.

1. **Establishment of KINTO Europe**

We are uniquely placed to seize the opportunities ahead.

We are one of only a few mobility businesses backed by the scale, financial stability and commitment of multiple stakeholders -

in our case, Toyota Motor Corporation, Toyota Financial Services and Toyota Insurance Services.

We have already established Toyota Connected Europe as our technological enabler.

Today, they provide the technology and digital support for KINTO services and help to shape our business propositions, ready for us to scale up.

They are also working with global teams to develop a new mobility and data platform.

This progress has encouraged us to go one step further.

We have decided to move from mobility as a project …

to mobility as a company.

Last year we introduced the KINTO brand and today I can announce our new company.

We will establish KINTO Europe with headquarters in Cologne in April ’21.

KINTO Europe will be a joint venture between Toyota Financial Services and Toyota Motor Europe and will become our mobility company in Europe.

1. **Create our own way**

Ladies and Gentlemen,

The time is right to build a stand-alone mobility business.

Of course, we are aware that it will take some time to reach maturity.

During this time, we will create a sustainable business model to be ready when the mobility market takes off.

We cannot simply follow a predefined approach used by our competitors or any other mobility player in the markets.

Instead, we will find our own way … one that utilises our unique advantages and differentiates us in the mobility space.

This starts internally with effective partnerships.

1. **Partnerships role of retailer (even though digital business)**

Our long-standing relationships with our retailer network are unique strengths, and their importance should not be underestimated, particularly at a time like this.

**Today** our retailers are doing a professional job selling and maintaining cars for our customers, delivering an ownership proposition for the Toyota and Lexus brands.

**Tomorrow** KINTO will enable them to offer usership models on a minute, day, month, year or lifetime basis – in a flexible and seamless way.

We believe that our retailers will play a critical role in this new world of mobility.

Our ambition is to extend our partnership with retailers and transform them into Mobility Service Providers.

The new focus will be on effective asset utilisation and improving Vehicle Lifetime Value over several ownership and utilization cycles. To achieve this, our retailers will offer KINTO Share, KINTO Flex and KINTO One services in their own outlet or any other location suiting customer needs.

1. **Update on the services**

Due to the robust foundations I mentioned, we have been able to benefit from sustained and reliable levels of investment. This has allowed us to continue building our operations at speed.

We have started with several simultaneous services - and we are expanding them as planned.

KINTO One, our all-inclusive leasing service, is our biggest success story. In only two years, we have become a mid-size player in the field of fleet management, with a total fleet of more than 100.000 units. We have launched our business in 7 key European markets and more to come in the next year.

With KINTO Share, we are now able to provide a larger range of car-sharing services: from corporate to public and residential.

We have successfully launched car-sharing operation in Ireland, Italy, Denmark, Spain and Sweden. Other countries are in the pipeline and we are now working toward a KINTO Share offer for our retailer network to launch.

Our KINTO Flex service will enable us to offer short-term flexible subscription to our customers, monetizing existing car stocks from our core business at retailers or other Toyota companies.

We have launched KINTO Join – our corporate carpooling solution - in Norway and Italy.

Next market is UK - and others are joining.

I also want to mention the successful launch of KINTO Go.

Italy is our first market where we are offering a nationwide multi-modal aggregator including planning, public transport ticketing, parking, taxi and events.

After a few months, we are already achieving great results and are planning for a short-term scaling of KINTO Go.

1. **Relationships with cities**

Our relationships are going beyond traditional stakeholders. Partnerships with Cities, for example, are playing an essential role in the future of mobility.

Cities are searching for solutions to urban challenges like traffic and pollution, and we are in contact with several Cities, helping them to address these needs.

We are looking at creating one-stop-shop mobility solutions which connect businesses, public sector and customers. We think it is important to support the way regions and cities plan and organise their mobility initiatives.

Our ambition is to keep unlocking future potential for Mobility - creating benefits for our customers.

A great example comes from BODE, a city in Norway where we are working closely with the city council and have recently launched KINTO Join.

Paris is our ultimate goal. Here, we are preparing for our role as mobility partner to the Olympic and Paralympic Games in 2024 - and want to showcase our capabilities in the mobility space.

1. Ending- Roadmap

As mentioned, we are a sound corporation with our own financial services, our own insurance company and our own technology company.

Joining these forces together will give us a chance to achieve sustainable success in the growing mobility market.

But there is no defined roadmap.

We have to build our own roadmap - utilizing our unique strengths and capabilities.

KINTO is not one service or product bound by any one location. We are truly diversified.

Our services span from vehicle leasing and subscriptions to full usership like car-sharing and car-pooling.

We have many projects spread across many different places in Europe. And our audiences are both end consumers and businesses.

We are building a one stop shop for mobility services and our ambition is to become the mobility provider of choice for all types of customers.

This means we are able to adapt to challenges and quickly shift our efforts toward new areas of opportunity.

Ultimately, a combination of organic growth, partnerships and acquisitions will allow us to scale quickly and serve more customers.

Ladies & Gentlemen,

We have defined clear steps in our roadmap: starting from the establishment of KINTO Europe to transforming our network into mobility service providers.

This strong foundation will facilitate our ability to grow KINTO today and into the future to achieve our ambition to create ‘Ever Better Mobility For All’.

Thank you.

