



TOYOTA

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Toyota On-Stand Press Conference

Frankfurt Motor Show – 12 September 2017

Dr. Johan Van Zyl, President and CEO, Toyota Motor Europe

Good morning ladies and gentlemen, I'm pleased to welcome you to the Toyota press conference.

There are three essential elements at the heart of our products.

Quality & Reliability, Advanced Powertrain Technology with hybrid and Safety.

Speaking about quality, perhaps no model expresses it better than the Toyota Land Cruiser. With 65 years of heritage, it is synonymous with toughness and trustworthy performance in extreme environments. That's why it's known as "the only car that will take you almost anywhere and bring you back!"

I am proud to say that today it is getting even better.

Ladies and gentlemen, please welcome the king of off-roaders,

The new Toyota Land Cruiser!

It is now the only vehicle in its class that uses a body-on-frame construction. That pure engineering quality defines its status as the 'king' among off-roaders. At Toyota, it is our philosophy to always make improvements. So we have developed a new Torsen locking differential for even better handling in slippery conditions.

In the cabin, we have a redesigned dashboard with superior quality trims and finishes, and even higher equipment levels. Ventilated front seats, heated rearseats, a heated windscreen and new Optitron instrumentation are just some of the features that have been added to the specification.

The lead engine is a 2.8-litre diesel that is fully compliant with the latest EU6 Step 2 emissions standards.

For Russia and other eastern markets, we will also be offering 2.7 and 4.0-litre petrol engines.

Safety is, of course, paramount. The new Land Cruiser comes with an expanded range of safety features and Toyota Safety Sense is also available.

Speaking about advanced powertrain, do you realise that it is now 20 years since Toyota started the electric revolution in the motor industry?

That is when we launched the first Prius, an electric car that doesn't have to be charged. It is interesting to see how the technology solutions we pioneered all those years ago...have today become a top priority for so many other manufacturers.

At the time, we said this hybrid car represented our vision of mobility for the 21st century. And we have been proved right! With Prius we defined a new powertrain architecture that we have constantly developed and improved.

Today, within the Toyota Group, we have 16 different hybrid vehicles on sale in Europe, making use of seven different hybrid powertrains. Worldwide, we are approaching eleven million hybrids sold, more than one-and-a-half million of these in Europe. More people than ever are making hybrid their first choice.

Our customers appreciate not just the tangible benefits it offers in terms of environmental performance and cost of ownership, but also the special driving quality it delivers, with smooth performance, silent running and a very low level of vibrations.

As a result, hybrids currently make up 40 per cent of our sales mix in total Europe and even close to 50% in Western Europe. That brings us close to our target of 50% hybrid mix in total Europe by 2020.

Hybrid is not a single solution rather a flexible powertrain architecture that can be adapted to suit different customer needs and driving scenarios.

For example, our Prius plug-in hybrid is based on our full hybrid vehicle architecture, but with a more powerful battery and with the addition of a mechanism for external charging. And by replacing the internal combustion engine of a full hybrid vehicle with a hydrogen fuel cell stack, you have a zero emission car, like our Toyota Mirai.

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Even our future battery electric vehicles will be based on the same architecture, where you have an electric motor directly powered by a higher capacity battery.

With this kind of adaptability, hybrid is the backbone of our powertrain programme that will help us cut our vehicle carbon emissions by 90 per cent by 2050 compared to 2010. This is a key target within the Toyota Environmental Challenge 2050, our strategy for significantly reducing the impact of our products and our business on the world around us.

Continuing with hybrid, we listen carefully to our customers' opinions. It is not just about hearing what they like about our hybrid technology. We also want to learn from them how we can make our hybrids even more attractive to more people.

It is exactly that kind of feedback that has made us realise there is an opportunity to introduce a higher performance hybrid powertrain. I can announce today that in future it is our ambition to provide our core models with a choice of two hybrid powertrains.

One will provide the traditional benefits of efficiency and fuel economy, like in our current offer. The second will build on this and add more power and a more dynamic driving character. We will reveal more details about these plans early next year.

The prospect of a more powerful hybrid system is part of the inspiration for the new Toyota C-HR HY-POWER design study. Revealed today here in Frankfurt, it symbolises the dynamic and fun-to-drive qualities that have helped make the Toyota C-HR such an instant success for us.

The design is the work of a team at ED², our European design studio. The aim of the designers was to give the Toyota C-HR an even more emotional, powerful look. A look that will resonate strongly with people who enjoy highly individual lifestyles.

Together with Quality and Hybrid, Safety is one of our core values. Our belief is that we should make the best technology widely available to our customers. Last year we said we would make Toyota Safety Sense available across our entire model line-up.

Today I am pleased to tell you that 92 per cent of the cars we are selling across Europe is already fitted with Toyota Safety Sense. That includes 100% of Yaris sales, in the highly cost-competitive B-segment.

Of course, the full benefits of Toyota Safety Sense will be realised as more and more cars are equipped with the technology. But already positive results are being achieved.

Our studies in Japan show that Toyota Safety Sense has reduced rear-end accidents by 50 per cent compared to vehicles not equipped with this technology. And this is not the end of the story! Our ultimate goal is zero accidents.

And the work of our Toyota Research Institute (TRI), in the areas of Artificial Intelligence and Connectivity, will support the introduction of automated driving technologies, helping us to achieve such an ultimate goal.

Has our product strategy delivered? Yes (I believe so)! In the first half of this year our European Toyota group sales are up by 11 per cent compared to 2016. And that brings our Market Share to 4.9 per cent, 0.3 percentage points more than last year.

We expect to reach the one million sales mark by the end of this year. And this growth has not been to the detriment of our profit. Our quarterly financial results show an operating profit increase of 125 per cent compared to last year.

Key drivers of this growth are the successful launch of the new Toyota C-HR, which has achieved a segment share of 11% in just 10 months, and the outstanding sales of hybrid models up by 52 per cent year-on-year!

In our core models the hybrid mix is achieving very high levels: 45 per cent on Yaris, 52 per cent on RAV4, 65 per cent on Auris and an exceptional 77 per cent on Toyota C-HR!

So, how are we going to sustain our business moving forward? We will maintain our sustainable growth by making ever better cars.

Hybrid will remain our key differentiator. We will expand our (hybrid) offer with more derivatives. And we will take care of our customers with an ever stronger focus on our "customer-first" approach.

Thank you for your kind attention.

I would now like to invite Koyari san, Chief Engineer of the Land Cruiser, to join me on stage for photographs.