



October 26, 2020

Toyota Systems Corporation

DeCurret Inc.

PRESS RELEASE

Toyota Systems launches in-house proof of concept experiments on digital currency with the aim of upgrading payment operations

Research on the utilization of digital currencies applied to the supply chain and business-to-business transactions

Toyota Systems Corporation (President and Representative Director: Hiroaki Kitazawa, hereinafter "Toyota Systems") and DeCurret Inc. (President and CEO: Kazuhiro Tokita, hereinafter "DeCurret") have jointly launched a proof of concept experiment on digital currency from October 2020.

By utilizing DeCurret's platform for issuing and managing digital currencies on the blockchain, Toyota Systems will issue its own digital currency for the trial and will conduct technical verification of payment processing and automation of employee benefit programs.

The two companies will continue to promote greater efficiency and speed in payment processing through utilization of technologies such as digital currencies, smart contracts and etc.

1. Background

A smart society where all goods, people, and services are connected to the network and where information can be exchanged with each other at any time and any place has become a reality, and the way we work and the means of communication in the wake of the Corona virus pandemic are also undergoing major changes. As a core company in the development of solutions and systems that support Toyota Motor Corporation and its group with IT, Toyota Systems aims to be a leading IT company in the world that provides total solutions from planning and proposal to implementation and operation of services. This time, we will conduct a technical verification experiment in collaboration with DeCurret to develop solutions with the implementation of the blockchain and digital currency. This large-scale experiment, in which all Toyota Systems' employees will participate, will involve technical verification of blockchain payment transactions, its data recording and management, and automatic execution using the basic functions of smart contracts to create new innovations.

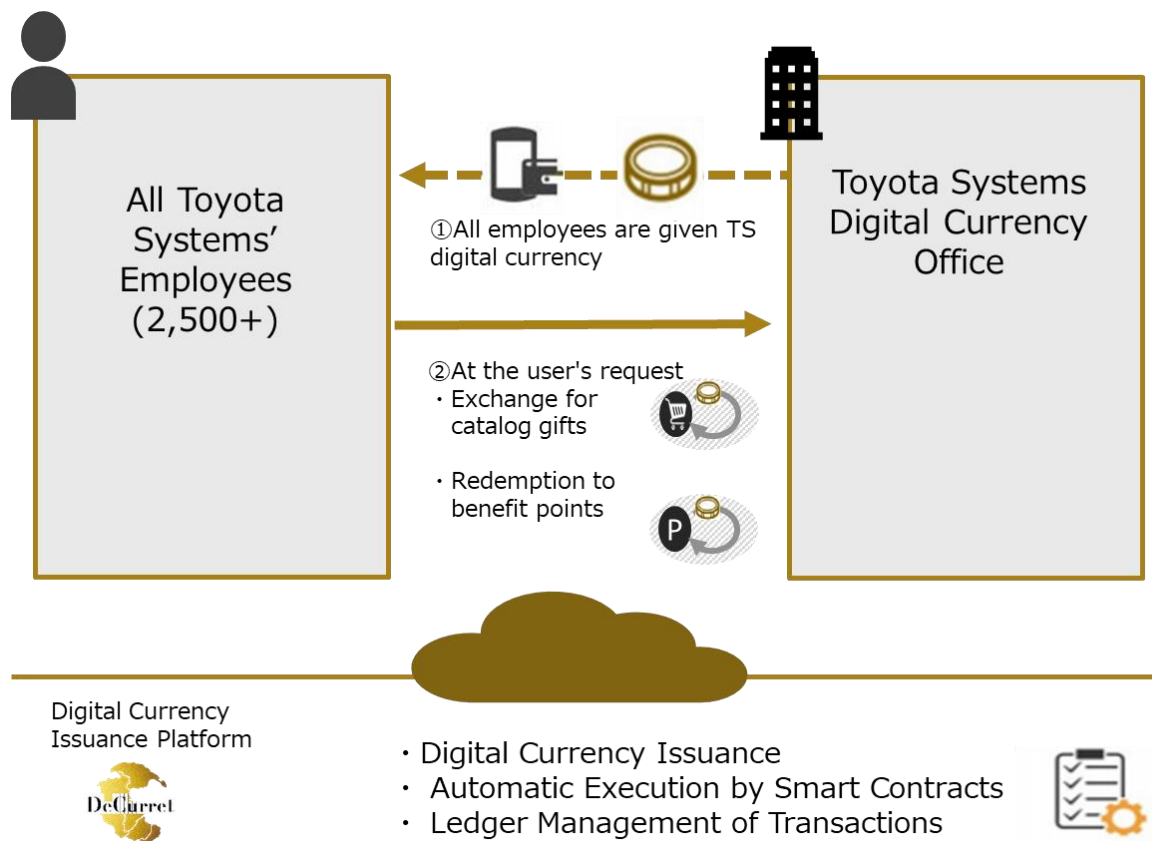
2. Outline of the Proof of Concept Experiments

DeCurret's platform for issuing and managing digital currency on the blockchain will be used to issue digital currency. (The issued digital currency is valid for a period of six months or less.)

Specifically, Toyota Systems' employees will use the digital currency given to them as a benefit to redeem

for catalog gifts and benefit points prepared exclusively for the demonstration project. Once the currency is exchanged, a record of the transaction is written into the smart contract, and the system is verified and validated by sending digital currency in accordance with the amount of the transaction from a special wallet provided to all employees to the product and point wallets immediately. More than 2,500 Toyota Systems' employees will participate in this large-scale verification experiment, which will examine issues such as the scalability of the peer-to-peer (P2P) model of blockchain and the operational issues faced by the large number of participants in the experiment.

< Proof of Concept Study Diagram >



※No exchange to Japanese yen will take place in this proof of concept.

3. About the future

In the automotive industry, as the car evolves from a means of transportation to a part of daily life, it is necessary to further improve productivity and competitiveness to build the next generation. In this once-in-a-century era of great change, Toyota Systems is researching the use of digital currencies in the supply chain and business-to-business transactions based on the findings of this pilot test, examining payment and settlement mechanisms for the realization of a new society in collaboration with DeCurret. We aim to create new value and businesses by promoting new technologies and services that have never been seen before.

■ Characteristics of DeCurret's Digital Currency Platform

The platform that issues and manages digital currencies on a blockchain, created by DeCurret, has a function that allows a user company to issue a digital currency under its own brand, and can implement processes using smart contracts. The platform also executes a series of transactional processes more efficiently to enable real-time exchange of money, even in small sums.

In this way, it supports the offering of a wide range of services, including dynamic pricing and real-time settlement, which utilize the blockchain's features.

DeCurret aims to commercialize this platform going forward and is planning to offer more services that enhance the convenience of digital currencies, including value transfer and exchange functions and services that make them compatible with existing settlement services.

■ Company Overview

Toyota Systems Corporation

URL: <https://www.toyotasystems.com/>

Representative: President and Representative Director: Hiroaki Kitazawa

Business Description: Business activities that globally supports Toyota Group IT solutions

- Cutting edge technology development
- System / solution planning, development and maintenance, in the engineering field
- System / solution planning, development and maintenance, in the field of corporate finance
- Planning, construction and operation of systems / solutions, in the infrastructure field

DeCurret Inc.

URL: <https://www.decurret.com/>

Representative: President and CEO: Kazuhiro Tokita,

Business description: Financial services involving trading and settlement of digital currencies

Virtual Currency Exchange Operator - Kanto Local Finance Bureau No. 00016

Certified Fund Settlement Firms Association: Japan Virtual and Crypto assets Exchange Association

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