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A Toyota Tsusho group company

NEXTY Electronics Corporation**TOSHIBA TOSHIBA MICROELECTRONICS CORPORATION**

Nexty Electronics and Toshiba Microelectronics Establish Software Development Joint Venture

Nexty Electronics Corporation of the Toyota Tsusho Group (Headquarters: Minato-ku, Tokyo, President: Atsushi Aoki, hereinafter referred to as "Nexty Electronics") and Toshiba Microelectronics Corporation of the Toshiba Group (Headquarters: Kawasaki-shi, Kanagawa, President: Yoshihiro Motowaki, hereinafter referred to as "Toshiba Microelectronics") have agreed to establish the joint venture "Nexty System Design Corporation" as explained below.

Notes

1. The Background and Objective for Establishment of the Joint Venture

Nexty Electronics launched its software business in 2004, and has strengthened its project management capability through offshore development while building a deep and wide network of customers.

Toshiba Microelectronics, founded in 1981, is a subsidiary of Toshiba Electronic Devices & Storage Corporation (hereinafter referred to as "Toshiba Electronic Devices & Storage"), and has continued to enhance its capabilities in the planning, design and development of ICs and LSIs as well as the development of embedded software.

Rapid changes are occurring in the automotive industry in which both companies as well as Toyota Tsusho Corporation and Toshiba Electronic Devices & Storage conduct business; a combination of four mega-trends known as CASE¹⁾ is giving rise to a vast ecosystem.

An agreement was reached to establish a joint venture as it was recognized that integrating the project management capabilities and customer networks of Nexty Electronics with the advanced semiconductor design, embedded software development and system technology capabilities of Toshiba Microelectronics would be effective to keep up with the demands for technological evolution accompanying these major changes and to speedily provide competitive products and services sought by the market.

Through the establishment of this joint venture, both companies will expand their automotive electronics business by strengthening collaboration, diversifying their development projects and improving their comprehensive software development capabilities.

2. Future Prospects

The joint venture, with automotive electronics software as its core business, will be established with funding from both companies as an organization of about 60 employees from parent companies. It will aim for further growth while enhancing its engineering resources with a view toward more wide-ranging software development in the future.

Footnote : CASE : an acronym for Connectivity, Autonomous, Shared mobility, and Electric mobility.

【Overview of the New Company】

Corporate Name : Nexty System Design Corporation
Location : 580 Horikawa-cho, Saiwai-ku, Kawasaki-shi, Kanagawa
Representatives : Representative Director Takeo Hagiwara (President),
Representative Director Takamichi Kono
No. of Employees : 60
Business : Entrusted development of embedded software focusing on the
automotive electronics market and development and sales of related
products.
Investment Ratio : Nexty Electronics Corporation 51%
Toshiba Microelectronics Corporation 49%
Capital : ¥100 million
Establishment : December 1, 2017 (Plan)

【Overview of Toshiba Microelectronics Corporation】

Corporate Name : Toshiba Microelectronics Corporation
Location : 580 Horikawa-cho, Saiwai-ku, Kawasaki-shi, Kanagawa
Representative : President Yoshihiro Motowaki
No. of Employees : 566
Business : System planning, system designing and system development of ICs
and LSIs
System marketing and engineering of ICs and LSIs
MDP/OPC technical support
Component technology development (IPs, EDA systems, evaluation
technologies)
Capital : ¥500 million (Toshiba Electronic Devices & Storage Corporation 100%)
Established : April 1, 1981

【Overview of Nexty Electronics Corporation】

Corporate Name : Nexty Electronics Corporation
Location : Shinagawa Front Building, 3-13, Konan 2-chome, Minato-ku, Tokyo
President : Atsushi Aoki
No. of Employees : 1957
Business : Sales of semiconductor and electronics products
Embedded software development
Original product development, etc.
Capital : ¥5,251 million (Toyota Tsusho Corporation 100%)
Established : April 1, 2017

【Inquiries regarding this press release】

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