

January 15, 2018

Announcement Regarding the Establishment of a Joint Venture Between NEXTY Electronics and Fixstars Corporation

Toyota Tsusho Group's NEXTY Electronics Corporation (Headquarters: Minato-ku, Tokyo; President: Atsushi Aoki; hereinafter referred to as "NEXTY Electronics") and Fixstars Corporation (Headquarters: Shinagawa-ku, Tokyo; Chief Executive Officer: Satoshi Miki; hereinafter referred to as "Fixstars") have agreed to establish the joint venture Fixstars Autonomous Technologies Corporation with the purpose of strengthening their relationship in the field of autonomous driving.

Notes

1. Background and Objectives of the Joint Venture's Establishment

With the commercial application of autonomous driving technologies coming closer to becoming reality, competition is escalating as not only companies and research institutions traditionally involved in the automotive industry, but also European and American IT companies enter the autonomous driving market. It is against this backdrop that NEXTY Electronics and Fixstars have agreed to establish this joint venture with the objective of offering advanced software solutions to automotive and other industries by combining NEXTY's project management capabilities, customer base, and network of partner companies with Fixstars' software technology, further accelerating autonomous driving research and development.

NEXTY Electronics launched its software business in 2004, and has strengthened its project management capabilities through foreign offshore development, and built a broad and deep customer network.

With its corporate motto of "Speed up your Business" Fixstars offers total solutions that utilize high-performance hardware and leading-edge software technology, such as software optimization technologies that extract maximum performance from parallel processing and hardware.

To make autonomous driving a reality, technologies like sensor fusion—which enables advanced recognition functions by acquiring learning from the data center, reasoning from the edge, and large volumes of data from a variety of sensors—must perform processing at high speeds while conforming to the constraints of high reliability, low latency, and low power consumption. To achieve this, not only is it necessary to develop and implement high-speed algorithms, but there is also the need to speed up systems as a whole by giving consideration to the utilization of custom chips.

This joint venture will provide the automotive industry—which is facing a significant period of change with autonomous driving—with solutions that lead directly to the improved competitiveness of customers' companies, combining NEXTY Electronics' project management capabilities and customer network with the software technology strengths that Fixstars has cultivated over many years.

[Joint Venture Overview]

Corporate Name : Fixstars Autonomous Technologies Corporation
Location : 1-11-1 Osaki, Shinagawa-ku, Tokyo
Representative : Satoshi Miki, President (Fixstars Corporation CEO)
Business : Software and application systems development
Capital : ¥30 million
Scheduled Date
of Establishment : February 1, 2018 (Plan)
Fiscal Year-End : End of September
Net Assets : ¥60 million
Total Assets : ¥60 million
Shareholders : Fixstars Corporation (66.6%)
NEXTY Electronics Corporation (33.4%)

[Fixstars Corporation Overview]

Corporate Name : Fixstars Corporation
Location : 1-11-1 Osaki, Shinagawa-ku, Tokyo
Representative : Satoshi Miki, CEO
Business : Manufacture and sales of multi-core processors
Capital : ¥549.96 million
Established : August 8, 2002

[NEXTY Electronics Corporation Overview]

Corporate Name : NEXTY Electronics Corporation
Location : Shinagawa Front Bldg., 2-3-13 Konan, Minato-ku, Tokyo
Representative : Atsushi Aoki, President
Business : Sales of semiconductor and electronic components, embedded software development, original product development, etc.
Capital : ¥5.251 billion (Toyota Tsusho Corporation 100%)
Established : April 1, 2017

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