

## Overseas Report - Part 2

# Introduction to NEXTY Electronics in Southeast Asia and Oceania Region

For the second edition of the special report from our overseas regions, we will introduce each company's "business activities," "merits and strengths," and "geographic advantages" in the Southeast Asia and Oceania Region (Singapore, India, Thailand, Philippines, Malaysia, Indonesia) and Americas Region (U.S. and Mexico).



President Managing Director,  
Southeast Asia and Oceania Region  
Hiroshi Wada

### Message from Managing Director

Hi, I'm Hiroshi Wada, RHQ Manager for the South East Asia and Oceania Region. Once again, by taking this opportunity, I would like to express my deep gratitude for support constantly provided from all of you. In our Southeast Asia and Oceania Region, more than 450 people are working every day to fulfill our customers' needs. The region spans six countries and 10 locations, from Jakarta, Bangkok, Kuala Lumpur, and Penang in the East to Delhi, Mumbai, Bangalore, and Pune in the West, with Singapore as our headquarters. To provide solutions for the wide-ranging needs and problems of local customers in each country as well as our Japanese customers, we work to expand and enhance our functions based on the characteristics of each market. Along with traditional agency functions, this includes software development, content services such as traffic information streaming, manufacturing functions utilizing EMS, quality support, and making packing changes for each customer using our own warehouses. If we can be of assistance in the region in any way, please feel free to contact our office in your area. We hope that you will continue to avail yourself of our services.

### Business Activities at Our Locations

#### Strengths of the Region

To support the corporate activities of our customers in the Southeast Asia and Oceania Region, which consists of the ASEAN nations and India, we have established 10 locations in six countries, with Singapore as our regional headquarters.

Taking ASEAN as a single economic zone, it is predicted to become the world's fourth largest economy in 2050, with a GDP that will increase fivefold to \$10 trillion by 2030 and consumer spending that will reach \$2 trillion by 2020. One of the greatest strengths of ASEAN nations' economic growth is its growing middle class. ASEAN nations' middle-class population will more than double by 2020, from 190 million in 2012 to 400 million. ASEAN is no longer simply a manufacturing base — it is becoming a consumer market of giant proportions. Then there is India, a country with an enormous population second only to China in size. If this grows to 1.47637 billion people by 2030 as predicted, it will overtake China to become the world's most populous nation. India has a high ratio of working-age people to its total population, and it is predicted that its workforce growth rate will outpace its population growth rate by 2020, ushering in what has been called the "demographic dividend." This portends strong economic growth for the country going forward.

One other strength of this region is its "diversity." People look to the ASEAN market for solutions optimized for each region, which includes everything from products localized to each country to business model development.

At our offices throughout the region, highly experienced local staff work with Japanese staff to fulfill our customers' diverse needs.

#### Functions in the Region

##### Trading company functions

We at the Singapore office provide the shortest and best possible supply chains to our customers by bypassing Japan and trading directly with each supplier locally. Business is done in each country's local currency and using our local warehouses. We welcome your business.

NEXTY has also established itself as India's largest trading company dealing in electronic parts. If you are having problems with component procurement, manufacturing, or sales in India, our India office is there to help.

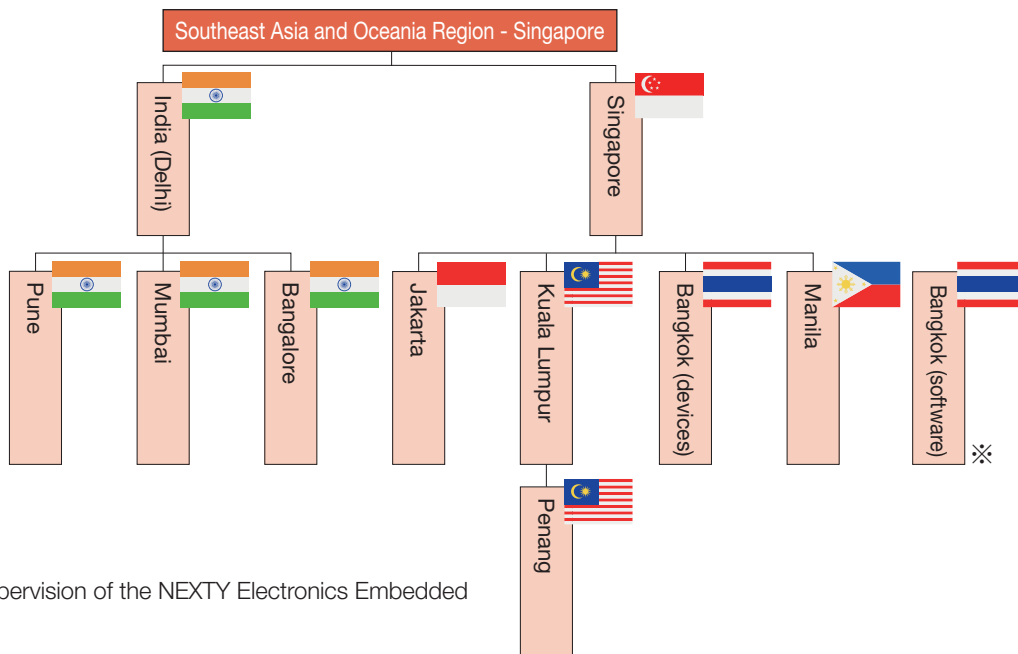
##### Design and development

In addition to our traditional semiconductor part solutions, we are able to provide the full spectrum of development services for customer-designed systems, from circuit design to platform artwork to embedded software, thanks to our highly-experienced engineers in each country mainly Singapore and Thailand.

##### Mobility

A truck-platooning operation test is currently under way in Singapore with project management handled by our parent company, Toyota Tsusho, and technologies from Singapore and other offices. In Thailand, we are generating control data while developing and providing a data streaming system for a pilot project involving a lane-level, high-accuracy route guidance system, which utilizes the Quasi-Zenith Satellite "Michibiki." Leveraging our status as the number one trading company in semiconductors for automobiles, we will continue to lead the way in global mobility development from this region.

## Location Map and Organization Chart



※Under the direct supervision of the NEXTY Electronics Embedded Solutions Division  
 As of March, 2018

# TOYOTA TSUSHO NEXTY ELECTRONICS SINGAPORE PTE. LTD.

## Message; Hiroshi Wada, Managing Director for Southeast Asia and Oceania Region and President of NEXTY Electronics Singapore

Once again, I would like to use these pages to express my gratitude for the support that all of you constantly provide. Over the more than 20 years since its establishment in 1995, we have done business with the support of its customers. Currently staffed by about 60 employees, it became the headquarters that oversees the ASEAN and India regions after NEXTY Electronics was founded. We are always expanding on and improving the full complement of supply functions that the region provides through cooperation between semiconductor companies and our headquarters. At the same time, we strive to provide solutions for the wide-ranging needs and problems of local customers in each country as well as our Japanese customers by enhancing functions that utilize the outstanding infrastructure Singapore has been blessed with as a developed nation. If we can be of assistance in the region in any way, please feel free to contact our office in your area. We hope that you will continue to avail yourself of our services.

## Basic Data

Company : TOYOTA TSUSHO  
 Name : NEXTY ELECTRONICS SINGAPORE PTE. LTD.  
 Address : 600 North Bridge Road, No.16-03 Parkview Square, Singapore 188778  
 Contact : TEL: 65-6221-1422  
 FAX: 65-6221-0400  
 Capital : 500,000 Singapore dollars  
 Established : March 1995  
 Employees : 55 (April 2018)

## Characteristics and Strengths

Our direct local trading track record with our many semiconductor suppliers over the past 20 years is a testament to the strong relationship we have with these companies. The close relationship we share with local suppliers allows us to provide customers with the most accurate and up-to-date information, without the need to go through Japan. Please feel free to speak with our staff, who would be pleased to provide you with valuable information. Singapore is also a logistics hub in the region. Our warehouses use a system developed in-house for inventory storage and retrieval, and we provide traceability down to the smallest packaging unit. In concordance with our foundation as a general trading company, we are a one-stop provider of services that span the entire supply chain, from upstream to downstream. These range from purchasing components on behalf of the customer to VMI warehousing and optimizing goods distribution using milk run trucks. As a new initiative, we are also going beyond the boundaries of a semiconductor trading company to focus on state-of-the-art mobility solutions projects that include a self-driving truck platooning trial in Singapore in conjunction with Toyota Tsusho.



Bringing you the latest info (Chinese New Year celebration)

## Regional Characteristics

Singapore has the highest per-capita GDP in Asia, boasts formidable economic might in the ASEAN region, and is a hub of economic activity and logistics. Singapore has a population of approximately 5.4 million people but is only about as big as Tokyo 23 wards. Agriculture is an insignificant portion of its economy, which consists of a service industry and manufacturing industry that centers on industrial electronic parts and machines. Although well known for its logistics and financial services, Singapore's service industry has also seen success with casino resorts, joint urban development with Malaysia, and the construction of high-speed railways connecting each other's capital. Such successes illustrate how economic policies that make the most of Singapore's small population, land size, and other physical weaknesses have maintained and enhanced the city.

And although Singapore has also been rated as having one of the world's best environments for investment and business, high labor costs take away its appeal as a destination for labor-intensive industries. Singapore's government is currently putting systems in place in a bid to achieve even more sophisticated biotechnology, airline, healthcare, and other industries, and some say it has entered a new phase of growth.



## Regional Recommendations

The Singapore Zoo and the Night Safari which allows visitors to observe animal habitats at night are very famous but two pandas - Kai Kai and Jia Jia - are growing up at the adjoining River Safari facility.

If you go to see pandas born at Ueno Park, it's crowded and you can't look at them for very long. But in Singapore, you can take your time and see them up close because there are no glass walls, cages, or other barriers.

There are particularly few visitors in the evening, so this would be a good time to go before heading over to the Night Safari.



Visitors can take their time and see pandas up close



# TOYOTA TUSHO NEXTY ELECTRONICS MALAYSIA SDN. BHD Kuala Lumpur and Penang



General Manager  
Koji Nakamura

## Message

Our company was established in 2008, and we provide support to Japanese and non-Japanese customers in Malaysia, as well as certain neighboring countries (Singapore, Vietnam, etc.). Malaysia is home to many facilities belonging to customers running some of Japan's leading consumer businesses, and could be called the greatest producer country in ASEAN for especially Japanese-style audio-video equipment. Recent years in consumer market have seen the rapid development of manufacturers from China and other developing nations, prompting increasingly competitive market environments. For their businesses to survive, customers in Malaysia are continuing to enhance their R&D and procurement functions. Under these circumstances, we are promoting sales expansion by targeting certain applications and providing support. We are also focusing on the growth of our automotive business. We are coordinating with customers to broaden the market and are building a system to ensure that Japanese value is brought to international markets.

## Basic Data

Company : TOYOTA TSUSHO  
 Name NEXTY ELECTRONICS  
 MALAYSIA SDN. BHD  
 Address : Room1406, Wisma Lim Foo  
 Yong, No86, Jalan Raja  
 Chulan 50200 Kuala Lumpur,  
 Malaysia  
 Contact : TEL: 60-3-2143-0173  
 FAX: 60-3-2145-0985  
 Capital : 1 million Malaysian ringgit  
 Established : May 2008  
 Employees : 13 (April 2018)  
 Branch : PENANG BRANCH  
 Address : Suite 12-01, Menara IJM Land,  
 1 Lebuhr Tunku Kudin 3,  
 11700 Gelugor Penang,  
 Malaysia  
 Contact : TEL: 60-4-660-2600  
 FAX: 60-4-660-2601

## Characteristics and Strengths

Malaysia and Singapore have a close-knit business relationship in the electronics and electronic parts industries. As many Malaysian companies purchase semiconductors from locations in Singapore, we need to provide full-scale local support for the diverse needs of our customers in Malaysia. Our offices in Kuala Lumpur and Penang utilize an approach that involves getting close to customers, finding out what's troubling them, discussing issues with marketing, FAE, and logistics teams at the Singapore office, and proposing solutions to satisfy customers' needs. Our major suppliers also have many facilities in Singapore and Malaysia, and we work with these suppliers to provide support to local customers. We are also able to answer customers' needs as a member of the Toyota Tsusho Group by coordinating with local Group companies. We work with other members in the Toyota Tsusho Group to resolve our customers' problems or make improvements. Through efforts such as these, we will continue working to further improve customer satisfaction and expand our business.



Kuala Lumpur



Penang

## Geographical Strengths

The electrical and electronic components industry is one of Malaysia's major export industries. Direct investment in Malaysia began to skyrocket in the 1990s, particularly in the electrical and electronic components industry. There has since been a continual rise in the number of Japanese manufacturers building factories focused on audio-visual products (in Kuala Lumpur and Penang) and major overseas manufacturers and electronics manufacturing service providers (mainly in Penang). The model they used began with purchasing parts and components from bonded warehouses in Malaysia and other countries and then re-exporting products assembled at Malaysian factories to Europe, the U.S., Japan, and other developed nations.

Some say that the low local procurement rate for many electronic parts is due to local manufacturers making their products solely for export in order to satisfy conditions for preferential export tax rates, and to Malaysia's growing domestic market. Given the preferential tax system for finished product exports in the country, there are grounds for considering a full-scale introduction of parts produced in ASEAN nations. We are figuring out the most viable applications and engaging in sales activities with this context in mind.

## Regional Recommendations

Malaysia is an archetypal multiethnic country with many Malays, Chinese, Indians, and other ethnic groups, as well as indigenous ethnic groups such as the Kadazan, Sama-Bajau, Iban, and Orang Asli.

The majority of Malays are Muslim, and immigrants from China, India, and other places all bring and uphold their own cultures and traditions with respect to things like language, religion, everyday customs, ethnic dress, and diet. All ethnic groups respect and live in harmony with each other's religions and lifestyles.



Petronas Towers (452m),  
a Kuala Lumpur landmark



Kapitan Keling Mosque, Penang,  
one of Malaysia's largest mosques



Dutch Square, Melaka, a place of Christian  
churches and history museums



Khoo Kongsi, a Chinese Temple said to  
be one of the most beautiful in Penang

# PHILIPPINES REPRESENTATIVE OFFICE



Country Manager  
Akifumi Uno

## Message

Our company was established in 2013 as a representative office. We have mainly focused on Japanese companies who expanded their business into the Philippines since then. Since the establishment of NEXTY Electronics, we have conducted kitting and EMS business for automotive customers in the Philippines as part of a wide range of services that include introducing Japanese companies to local Filipino companies.

Although we are currently a smaller company of just seven employees, we look forward to seeking out new customers and business and hope to work with you in the future.

## Basic Data

Company : TOYOTA TSUSHO  
 Name : NEXTY ELECTRONICS  
 SINGAPORE PTE. LTD.  
 MANILA REPRESENTATIVE OFFICE  
 Address : Suite 21., 2nd Floor Zeta II Building,  
 191 Salcedo St. Legaspi Villge,  
 Makati City, 1229 Philippines  
 Contact : TEL: 63-2-845-0664  
 FAX: 63-2-845-0574  
 Established : August 2013  
 Employees : 5 (March 2018)

## Characteristics and Strengths

Our office is located in Makati and provide support to customers all across the Philippines. We handle a wide range of products, from semiconductors to electronic parts, and provide comprehensive solutions that include purchasing support and proposals and technical support.

### Business Activities

- Semiconductor and electronic part business
- Support for transferred business from Japan
- Support for local purchasing in the Philippines
- Purchasing agency business in collaboration with the Toyota Tsusho Group
- Purchasing agency services using VMI, JIT, etc.
- Coordination with EMS companies
- Collaboration with Japanese and non-Japanese EMS companies
- Act as intermediary between local EMS companies and customers considering launching business in the Philippines as part of a "China Plus One" strategy

## Geographical Strengths

The population of the Philippines surpassed 100 million in 2014, making it the most populous country in the Association of Southeast Asian Nations (ASEAN) after Indonesia. The average age in the country is 23, much lower than in neighboring countries. This "demographic dividend" that has seen the country's labor force drive economic growth is predicted to continue for some time.

The Philippines is the largest English-speaking nation in Asia, and English is widely used at schools. More than 90% of Filipinos speak it. Because of its English-speaking labor force, the country is garnering attention as a location for BPO (business process outsourcing).

Since 2012, the Philippines has had one of the highest economic growth rates in the entire ASEAN region, and in 2017 nominal GDP per capita exceeded \$3,000. Spending on items such as automobiles, motorcycles, and consumer electronics is rising quickly.

Japan and the Philippines enjoy close and friendly relations, and work together on a variety of fronts aimed at contributing to economic growth in the countries, political stability and public safety, personal exchange, and regional and international communities.



## Regional Recommendations

**Chocolate Hills and tarsiers:** Located in the Visayas Archipelago in central Philippines, Bohol Island is one of the 10 largest islands in the country and is home to lovely sightseeing spots. A place full of hills, the island is half covered in marble. In the center are the Chocolate Hills - 1,268 cone-shaped limestone mountains each 30-50m tall, all covered in grass. The area gets its name from the chocolate color that the grass takes on when it withers in the dry season between April and June. The island is also home to the tarsier, one of the smallest primates in the world.

**Waters around Bilian Island:** The Philippines has many beautiful waters that Japanese still do not know about. Please come visit!



Chocolate Hills



Tarsier



Bilian Island

# PT. TOYOTA TSUSHO TOMEN ELECTRONICS INDONESIA



President Director  
Kazuhisa Yuzudo

## Message

Established in 2013, the Indonesia Office was the first facility to be built in a merger between Tomen Electronics' Jakarta Sales Office (established in 2012) and Toyota Tsusho Indonesia's Electronics Division (established in 1990).

After the Tomen and Toyota Tsusho headquarters merger, an attempt was made to change the name of the Indonesian Office. Due to a number of complex regulations in Indonesia, however, the name NEXTY Electronics Indonesia was used, while maintaining the official name PT. Toyota Tsusho Tomen Electronics Indonesia.

As of January 2018, the company's 26 staff operate businesses that include semiconductor and electronic part kitting, EMS, and finished product sales, with its main customers being Japanese companies operating in Indonesia. The company's motto is "making Indonesia fun through electronics." We look forward to your continued support in the future.

## Basic Data

Company : PT.TOYOTA TSUSHO  
Name TOMEN ELECTRONICS  
INDONESIA  
Address : Mid Plaza 2 Building Lantai  
12th Floor. Jl. Jend. Sudirman  
kav. 10-11 Jakarta 10220,  
Indonesia  
Contact : TEL: 62-21-5790-7035  
FAX: 62-21-5785-3046  
Capital : 2,500,000 US dollars  
Established : February 2013  
Employees : 26 (March 2018)

## Characteristics and Strengths

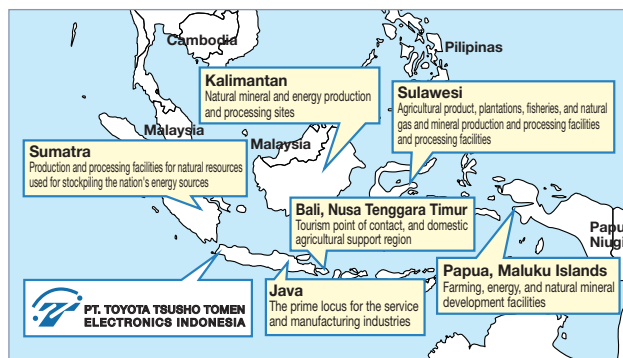
Headquartered at its Jakarta office, we have had bond warehouses for electronic parts at Toyota Tsusho Logistic Center PT, which is located in the MM2100 Industrial town in Bekasi Prefecture. We supports customers located throughout a group of industrial parks that extend eastward.

### Strengths

- Licenses and expertise for importing and selling any kind of electronic product
- Leverage information and logistics networks that utilize the Toyota Tsusho Indonesia Group network, which has more than 20 years of history
- Electronic part warehouses located near customers and just-in-time delivery of orders that can be as small as one reel using reusable shipping cartons made of anti-static materials
- Use a FAE team from Singapore office to provide design-in services for local customers
- Provide functions for installing parts in conjunction with partnered EMS companies
- With regard to IoT business, for which needs have continued to grow in Indonesia in recent years, NEXTY Electronics Indonesia works with NEXTY Electronics headquarters to provide technologies, equipment, and systems, and has acquired certification under Indonesia's radio law
- Contribute to the development of Indonesia's electronics industry by continually strengthening and improving each function in the value chain

## Geographical Strengths

Indonesia has a population of 260 million (fourth in the world), has a total area of 1,900,000 km<sup>2</sup> (five times that of Japan), and an economic growth rate of 5%, and is projected that the country's demographic dividend will continue until 2030. And given its large working-age population, economic growth is expected to continue. Doing business in the country are more than 1,500 Japanese companies, who have an overwhelmingly strong presence in automotive industries. These companies account for more than 90% of four-wheel vehicle sales (about 1 million units annually) and 99% of two-wheel vehicle sales (about 6 million units annually), with exports rising every year. Indonesia suffers economic losses due to its world-renowned traffic jams, which are the result of poor road infrastructure between the seat of the country's manufacturing industry, Jakarta, and industrial parks in surrounding suburbs. However, road infrastructure is now being built across the country at a fever pitch, which should lay the foundation for further economic development within a few years.



## Regional Recommendations

There are many places to recommend, but the most attractive among these showcase the enormous scale of nature and astonishingly beautiful waters. There are also many World Heritage sites and a host of other sites to see, like the blue flames of the Ijen volcano.

**【Cultural World Heritage Sites】** Places such as the Borobudur Temple Compounds, Prambanan, and the Subak water management system in Bali provide cultural sites to see

**【World Natural Heritage Sites】** Places such as Ujung Kulon National Park, Komodo National Park, and the Tropical Rainforest Heritage of Sumatra site



The waters of Lombok Island



Reenactments of traditional fight on Lombok



One of the world's greatest parks with mangroves



# READY TO RIDE THE NEXT WAVE



Greetings from President  
Mr Sunny Malhotra

## Message

We at Toyota Tsusho Nexty Electronics India pride ourselves in being a team recognised as one of the best in the industry for its ability to add value to the semiconductor supply chain. With India on the cusp of an exponential growth, we need to tread our path firmly but cautiously as we carve a niche for ourselves and graduate from being a distributor to a solution provider. The opportunities that the growing Indian economy presents come with its own set of challenges. Our team is well equipped and ready to handle the dynamisms of the Indian market. We do firmly believe in "BE LOCAL AND THINK GLOBAL". With Focus on demand creation we strive to get the best from the available resources in our aim to be a partner with our customers rather than just be a supplier.

Last couple of years have seen a paradigm shift in the way the electronics industry would mould itself for the future. With newer Areas like AI / IOT / Electric vehicles / connected cars having gone from concept to reality, we need to upgrade the way we look at our business model. This by far is the most challenging assignment that we have on our hands. With Global M&A's happening at a rapid rate the need to be a solution based provider would come sooner than later as the component business becomes fragile and vulnerable to external financial forces.

Let us open up our mind and be ever attentive and observant to the needs of the customer as we believe that innovation is the only way ahead. Each of us have the responsibility to make this world a cleaner and greener place to live in and some of the innovations that we would pioneer with the help of our strong global support and technical expertise would ensure our participation towards achieving this common good .

LETS BE READY TO RIDE the NEXT WAVE : THE wave of passion, commitment and Innovation and make TOYOTA TSUSHO NEXTY INDIA a model of sustainable growth and profitability.

## Basic Data

Company : TOYOTA TSUSHO  
Name NEXTY ELECTRONICS  
INDIA PRIVATE LTD.  
Address : Office No.108-111, Plot no.  
A-2/3/4, Tower 1, HB Twin  
Tower, Netaji Subhash Place,  
New Delhi 110034, India  
Contact : TEL: 91-11-4563-9207  
Capital : India Rupee 500,000  
Established : May 2008  
Employees : 40 (March 2018)

Sales offices : BANGALORE BRANCH  
Address : Sri Anjaneya, No.5, 3rd Floor,  
Loop Lane, Off Race Course  
Road, Bangalore 560009,  
India  
Contact : TEL: 91-80-2337-4674

Sales offices : MUMBAI BRANCH  
Address : Unit No.1105, "Kailas  
Corporate Lounge", Survey  
No 1/9A-2(B), Veer Savarkar  
Road, Park Site, Vikhroli (W),  
Mumbai 400079 , India  
Contact : TEL: 91-22-6694-0568  
FAX: 91-22-2517-5812

Sales offices : PUNE BRANCH  
Address : Office No.409, 4th Floor,  
Survey No.116/4 Wallstreet  
24, Near Shell Petrol Pump  
Mumbai-Bangalore Highway,  
Warje, Pune 411058, India  
Contact : TEL: 91-20-2523-0077

## Characteristics and Strengths

India is a melting pot of various cultures, religions and languages. and with the tenets of unity and non-violence deeply inculcated in the Indian psyche India is proud to be the world's largest democracy. Just as there is Unity in DIVERSITY, the 4 offices situated in Mumbai / Delhi / Bengaluru and Pune represents a mini India. The bonding across all regions goes beyond regional barriers and all staff work in sync to achieve a common goal. Sharing the success stories of one region and implementing them in other regions is one of the key aspects for organic business growth.

We differentiate ourselves from the Global top 3 by focusing on Demand creation. We are one of the leaders in automotive electronics segment. More than 60% of our business is from OEM accounts & there is less dependence on trade domain. There are many accounts where we are working for more than 10 years which is a proof of our consistent service and best in class support. We serve more than 200 active customers. Our well-equipped design lab one in Pune and the other in Delhi help in developing a solution approach & support to customer based on latest devices and technologies.

Our solution like Handle Bar, Flasher, lighting control, LED Head lamps, ballast are major success and running in industry successfully for many years. Our key vendors include Infineon, ST, Maxim, Panasonic, U-Blox, Murata, ROHM etc. Other than this, we also represent some lines for IT products like Chicony, Liteon, Primax etc. Our designing efforts have been appreciated by vendors as we have been awarded for providing best solution to the industry like. DP project, Best Application Engineer for last three years. Similarly we receive best rating from customers for our extraordinary support. We are having local warehouse to support Indian customer in INR which means we can service customers in local as well as foreign currency. There is shift in our approach from delivering components to providing complete solution to customer. We look forward to increasing our engagement in the Indian Market through a stronger presence in the field, increased demand creation capabilities & by working with new partners for Mutual Growth through Aggressive, "CAN DO" attitude.



Conference with NEXTY Electronics Corporation (in Delhi)



Design laboratory (in Pune)

## Regional Characteristics

As per the latest economic survey, "make in India" will focus on consumer durables, automotive (EV), Defence, Pharma and Renewable energy (solar power) to push double digit growth in manufacturing in and generating employment opportunities. The Government of India is encouraging automobile sector to expedite the Electric Vehicle manufacturing in the country. With this, India is on its way to be the primary global automobile manufacturer. Major companies like Maruti Suzuki i, Tata Motors, Bajaj, Mahindra etc. are aggressively working to support this project. EESL, a government nodal agency is working on EV project and has issued a tender of 20,000 electric cars in its first phase. Lately, it has invited bid for 2,000 electric charging stations too.

Mobile production in India has already crossed 100 million unit marks and is set to touch 500 million in next few years. This will create an 'Emerging Digital World in India'. Indian Government plans to support local solar cells and modules manufacturers by assuring contract for government projects. Indian solar power generation capacity has more than tripled in last three years. India has jumped 30 notches into the top 100 ranking on the World's bank 'ease of doing business.' This is a result of Indian Government's consistent efforts like GST implementation & Demonetization over the past year and India's endeavour to strengthen its position as a preferred place to do business....

Government has imposed additional duty on import of mobiles, setup box, and Television thereby encouraging local manufacturing. Foreign Direct Investment (FDI) in electronic manufacturing has reached an all-time high in India. More and more Japanese business would be transferred to India in the coming years as companies like Hitachi / Mitsubishi Electric, Yazaki, Suzuki, Yamaha .would churn out new products from India. This is evident in Japanese Investment rising to USD 4700 Million in FY2017

Smart City Initiative, enhancement of Rail Networks across the country and METRO Rail being introduced in Tier -1 cities like Pune /Ahmedabad also would go a long way in improving the infrastructure of the cities by easing the road traffic thereby ensuring cleaner air.



The Make in India logo



Road improvement is progressing with the expansion of the vehicles market, but it can also become a factor in traffic congestion.

## Regional Recommendations

We Indians don't need a reason to celebrate.

India celebrates lot of festivals throughout the year across all religion. Taking some time out from our daily work schedule and experiencing these little moments of joy is a great stress buster

It's this sense of sharing each other's joy that ultimately helps in bonding and camaraderie across team members. Be it Christmas, Diwali, someone's birthday ... it's worthwhile to greet each other with a broad smile and have some fun. There is great sense of appreciation and sharing across all the branches of TTNE India.

On a lighter note,

Cricket and politics are considered as the only two religions in India. These are the two topics on which everybody knows everything in India!! There is a very common saying "if you fail to plan then you plan to fail". However, this somehow doesn't hold true in case of Indian policies since they may change every year. We had done planning for LCD business for year 2018. All panel makers were focusing on clean room to manufacture TV panels in India which is in line with 'make in India' programme. But with the proposal of 10% duty on Open cell, TV makers are forced to review their plans



Celebrating the anniversary of foundation with employees



Many women are active in our company.



Celebrating Christmas (in Mumbai)



Celebrating Diwali, a Hindu festival of the beginning of the fiscal year (in Mumbai)



# TOYOTA TSUSHO NEXTY ELECTRONICS (THAILAND) CO., LTD



President & CEO  
Koichi Okoshi

## Message

We got a new start as Toyota Tsusho NEXTY Electronics Thailand with the March 2018 merger between Toyota Tsusho Electronics Thailand and Tomen Electronics Thailand. Our business focuses on three areas: **1) developing automotive embedded software, 2) selling and developing systems for electronic parts and semiconductors, and 3) providing content for ITS telematics.** Roughly 270 (as of April 1, 2018) employees work mostly in software development in areas that include hardware design, content development, and data analysis. We have been doing business for more than 10 years before the merger, and do business on a global scale that extends beyond Thailand and the ASEAN region. In our automotive software development business, we leverage our strength in MBD (model-based development) to develop motor control and engine control software. We are also focused on developing software for connected systems, a rapidly growing market. In our hardware business, we support our customers' product development activities with an extensive lineup of goods, services, and system solutions. Our content business involves generating and selling traffic data for all of Thailand using taxi and truck probe data. All of us will continue to work hard towards making it more fun and convenient for people to get around (improve mobility).

## Basic Data

Company : TOYOTA TSUSHO  
Name NEXTY ELECTRONICS  
(THAILAND) CO.,LTD  
Address : 15th-16th Floor, Mercury  
Tower, 540 Ploenchit Road  
Lumpini, Pathumwan, Bangkok  
10330 Thailand  
Contact : TEL: 66-2-639-3500  
FAX: 66-2-639-3501  
Capital : 32 million Thai baht  
Established : April 2005  
Employees : 276 (April 2018)

## Characteristics and Strengths

Our strength lies in being able to create new business by combining our three businesses: software, devices, and content.

### 1) Development of automotive embedded software

60% of our software development engineers are MBD development engineers, which gives us a competitive advantage as a developer of automotive embedded software. Another great strength of ours is that many of these engineers are already able to use Japanese in their work, and we have an in-house training system for hiring highly capable engineers of great potential that involves utilizing in-house Japanese language teaching expertise and working with top-level schools in Thailand to bring even complete beginners up to business level proficiency in Japanese.

### 2) Sales of electronic parts and semiconductors, and system development

Our standout strengths among electronics trading companies in Thailand

- (1) Advanced development functions enabled by high-level substrate design capabilities and software coordination
- (2) Local staff who have more than 20 years of experience selling electronics
- (3) TAQS ASIA quality function that gives products added value and reassures customers
- (4) Customer base of more than 150 companies

### 3) Content for ITS telematics

Another strength is our possession of state-of-the-art technologies in our content business and resources that allow for business creation in the connected device sector, which includes IoT applications and autonomous driving.

## Business Activities at Our Location

Our Thailand office is an unusual presence in the NEXTY Group for its three-business structure consisting primarily of software business (development of embedded software for automotive applications), device business (sales of electronic parts for automotive and consumer applications), and content business (traffic information streaming services).

### 1) Development of embedded software for automotive applications

With "fusion as a keyword," since 2012 we have actively pursued synergy among our companies and with other companies and Group companies, while at the same time remaining focused on generating new business and value.

One example of this synergy is a current collaboration between our software and device businesses to develop a camera module for automobiles.

In 2016, Toyota Tsusho Denso Electronics Thailand was established as a joint venture with the Denso Corporation. The company develops embedded software specifically for automotive engines. The company's heartfelt commitment to "opening the way to the future from Thailand" has been designed into the company's logo, and we are devoted to becoming a world leader in software technologies.



# From ASEAN to the World!

## 2) Sales of electronic parts and semiconductors, and system development

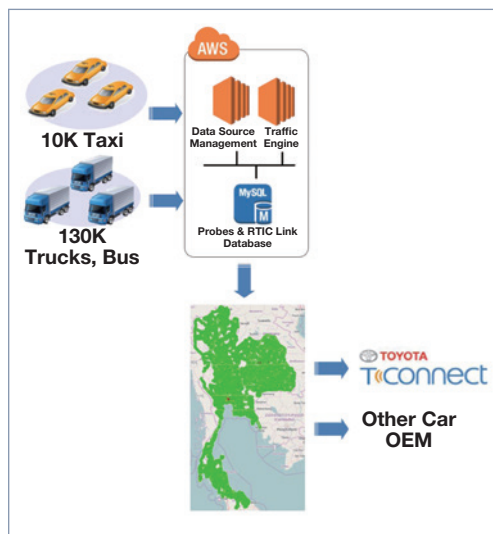
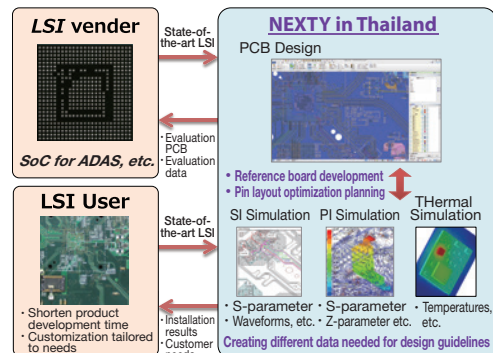
Sales for our devices business in Thailand are among the highest for any electronics trading company, including companies based in Europe or the U.S. Over the 13 years since our establishment in 2005, we have maintained and expanded business with more than 150 customers that include automotive, consumer, and local businesses. As a country with one of the world's greatest concentrations of factories, Thailand is part of the "downstream portion" of the global value chain. To become a technologically-advanced country, the government of Thailand is working to attract foreign firms interested in conducting R&D and elemental technology development in the country.

Foreign firms are already steadily building development facilities in Thailand to identify the needs of the Southeast Asian and Indian markets and rapidly develop appropriate products. By fully leveraging our business size, abundance of capable development and sales staff, and outstanding technologies and quality functions, this year will see us focus even more on beating competitors to the punch in growing our upstream business as a technology leader in "Asia and India." Our device business strives to continually create added value while leveraging its technologies and powers of discernment to develop markets in "domains spanning upstream to downstream," and exporting new trends to nearby countries and Japan.

## 3) Content for ITS telematics

We are working to improve the quality of a traffic information streaming service launched in 2013 while also developing other high added value information in the form of dynamic information on accidents and events. A recent effort to improve traffic information quality saw us utilize the "Michibiki satellite" to develop lane-level traffic information, which involved conducting a field test in Bangkok. As part of efforts to develop other high added value data, we have also developed dynamic content that includes data for parking lots, traffic congestion prediction, and multi-drop.

Big data analysis operations have grown in recent years. Since 2016 we have been ramping up development of data analysis engines and developing image processing and data recommendation services, while also discussing vehicle control and prediction maintenance systems that use data analysis with automakers and ridesharing service providers. At the same time, we are working with Toyota Tsusho Corporation, Denso Corporation, and Canada-based D-WaveSystem Inc. to develop data analysis technologies utilizing quantum computing based on analysis processing technologies of traffic congestion data. In line with our goal of becoming a business that provides high added value as a "data trader," we will also be "consolidating" elemental technologies for data analysis, which we have begun doing in-house, with a focus on traffic congestion information streaming services. In addition to marketing these services for autonomous driving, we aim to extend their application to the logistics industry for delivery truck control and telematics insurance.



## Geographical Strengths

As the automotive industry advances, it is becoming relatively easier to acquire highly capable engineers. In this respect, Thailand is different from giant markets like China.

And with Thailand being a pro-Japanese country, organizational management is trouble-free due to strong relations between Thai and Japanese people. The educational level of the country's universities improves every year, and it seems like it is much easier to find work-ready graduates than it was 10 years ago.

### Open House activities

Several times a year, we invite students and professors from outside to take part in Open House activities aimed at better familiarizing people with our company.



Students and professors taking part in Open House

## Regional Recommendations

It's all about golf! The game is cheaper to play here than in Japan, so it's heaven for golf lovers.

There are also many restaurants with great Japanese food. You won't want for anything in terms of food. You'll sometimes forget you're living overseas. Something echoed by everyone transferred to Thailand is that the Italian food here is excellent.

Japanese and Italian food are frequent picks when eating out.



Recommended for those who love golf

# Introduction to NEXTY Electronics Americas Region Detroit, San Jose, Maryville, and Mexico



NEXTY ELECTRONICS AMERICA  
Managing Director, Americas Region  
Itaru Ando

## Message

Our Americas Region comprises three locations in the U.S. and one in Mexico. From these sites, we provide support to places as far north as Canada and as far south as Brazil. In addition to our Japanese customers, we also market to customers in the U.S. and Europe. In addition to agency business that includes conventional logistics functions, we seek out new manufacturers with facilities in Silicon Valley (whose businesses involve semiconductors and other electrical and electronic parts, software, and services), cell module products that utilize EMS, provide quality support, and modify packing for each customer using our own warehouses. We also support customers' product development and design operations using NEXTY Electronics' overseas facilities and supplier network. Every service we provide is just like that provided in Japan. Although NEXTY Electronics has only been around a short time, we work hard every day to make the world fun through electronics. We look forward to your continued support in the future.

## Basic Data

Company : TOYOTA TSUSHO  
Name NEXTY ELECTRONICS  
AMERICA, INC.  
Address : 36555 Corporate Drive,  
Suite 350, Farmington Hills,  
MI 48331, U.S.A.  
Contact : TEL: 1-248-994-3249  
FAX: 1-248-994-0681  
Capital : 300,000 US dollars  
Established : January 1996  
Employees : 65 (April 2018)  
Sales offices : SAN JOSE BRANCH  
Address : 1798 Technology Drive, Suite  
210, San Jose, CA95110,  
U.S.A.  
Contact : TEL: 1-408-248-2520  
FAX: 1-408-248-2960  
Sales offices : MARYVILLE BRANCH  
Address : 1626 Mustang Drive,  
Maryville, TN 37801, U.S.A.  
Contact : TEL: 1-865-738-1527  
FAX: 1-865-984-6960

## Characteristics and Strengths

At our America offices of 65 staff, we have sales teams in San Jose, a base for state-of-the-art technical information, and in Detroit, a hub for North America's automotive market. And our Maryville office provides sales and quality support, as well as logistics support that covers all of North America.

### [Strengths]

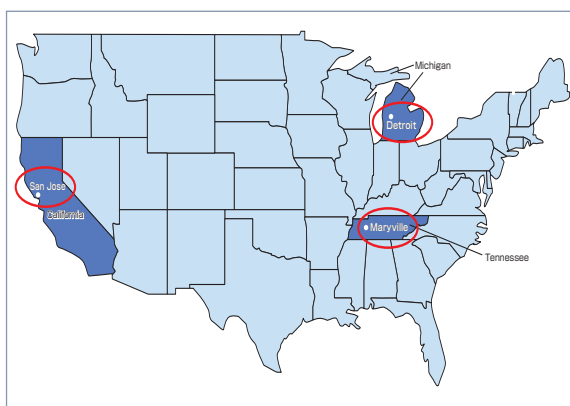
- Procure and sell semiconductors and electronic parts (both Japan-and foreign-made) for a wide range of line cards
- Provide support to and do business with top-tier Japanese companies throughout North America (U.S. and Mexico)
- Provide hardware distribution and EMS services, and provide support for operations spanning development to mass production and quality support
- Propose software solutions to Japanese OEMs and provide development and production support in collaboration with third-party vendors (pattern design and prototype substrate installation), and can present solutions tailored to customers' local development needs
- Use our electronic parts warehouse in Maryville, Tennessee, we provide just-in-time delivery support, and with our newly built quality support center (TAQS-US), we are able to provide support services for memory writing and part inspection
- Collect a broad range of information through the Toyota Tsusho Network. For even industries outside of electronic parts, we can create many different kinds of business by utilizing connections with OEMs and top-tier companies in North America
- With more than 20 years of doing business, the San Jose office leverages a network of numerous startup companies and every other type of company imaginable to constantly develop and deploy new technologies
- Currently provide a host of high-potential Japanese goods and services to North American top-tier companies, and are working to expand businesses outside Japanese OEMs

## Geographical Strengths

**Detroit** : Also known as Motor City and Motown, this Michigan State city is a product development center for automotive companies based in the U.S. and around the world. Public safety is now much better than in the past, and it continues to evolve into a charming city with something to offer everyone, whether sports or music or the arts.

**San Jose** : Located in the heart of Silicon Valley, San Jose is a city that has given rise to technologies that numerous startups have used to become major enterprises. Due to an increase in successful and affluent residents in recent years, it has become famous for being the most expensive place to live in the U.S. People from all over the world live here, making it a true melting pot.

**Maryville** : Located in America's southeast region, Tennessee and its environs are home to a plethora of factories belonging to automotive companies. Being surrounded by eight states (Arkansas and Missouri to the west, Kentucky and Virginia to the north, North Carolina to the east, and Georgia, Alabama, and Mississippi to the south) gives Tennessee perfect positioning as a logistics hub in the North American region and is a vital center for the automotive industry.



## Regional Recommendations

The Hot Rod 50's Diner is a hamburger joint in Tennessee with a 1950s theme. Along with antiques and posters put up all over the walls, full-on American-style lighting dazzles the eye. Every hamburger on the menu is fantastic, but the astonishing 33 oz. (about 900g) "CHUBBY Challenge" is particularly famous. They'll give you a special T-shirt if you can finish one in 30 minutes or less. Polaroids of people who've done it cover the walls.



Proof of achievement! My picture is now on the wall.



A 900g hamburger



# TOYOTA TSUSHO NEXTY ELECTRONICS MEXICO, S.A. DE C.V.

## Monterey



General Manager  
Yasuto Enomoto

### Message

Since NEXTY Electronics brought its business to Mexico in 2013, NEXTY, Mexico offices have been working with the more than 20 staff across three locations in the country to provide support to primarily automotive companies operating in Mexico. Leveraging the purchasing capabilities and overseas production expertise built up over time by the Toyota Tsusho Group, we conduct EMS business with a focus on wholesale business and kitting for electronic parts and other products, targeting mainly Japanese, European, and American customers. As a Japanese semiconductor trading company, we make the most of our preeminent strength as a pioneering player in the field to strengthen our automotive business in Mexico, a powerhouse of production. We will continue to take an enterprising approach to challenges in new domains centered on factory IoT, and we hope to have your support in these endeavors.

### Basic Data

Company : TOYOTA TSUSHO  
Name NEXTY ELECTRONICS  
MEXICO, S.A. DE C.V.  
Address : Calle Septima No. 300,  
Suite 1020, Parque Industrial  
Monterrey, Apodaca, NL, C.P.  
66603, Mexico  
Contact : TEL: 52-81-1156-6800  
FAX: 52-81-1156-6803  
Capital : 1,292,860 pesos mexicanos  
Established : June 2014  
Employees : 22 (April 2018)

### Characteristics and Strengths

Headquartered at our facility in Monterey, we at NEXTY's Mexico office have warehouses for electronic parts in Aguascalientes and Durango and provide support to customers across Mexico and near the American border. In this country more than five times the size of Japan, we focus on reducing the distance felt with the customer and keep our electronic part factories at the ready, which has allowed us to expand on and improve our value chain and existing logistics and business site networks while putting together a local procurement system. We are also able to gather a wide range of information by leveraging Toyota Tsusho's network, which has been operating in Mexico for more than 20 years. For even industries outside of electronic parts, we can create many different kinds of business by utilizing connections with OEMs and top-tier companies in North America. We provide services to customers with a speed made possible by a global business style that goes beyond borders, cultures, and languages, and by footwork characteristic of NEXTY Electronics.

### Regional Characteristics

In recent years, Mexico is more and more becoming a destination for mostly automotive industry enterprises from around the world who are setting up production facilities for customers in North and South America.

Although concerns over possible U.S. revisions to NAFTA terms have come about following the inauguration of President Trump, it does not look as if Japanese companies in Mexico will be significantly impacted for the time being.

The capital city of Nuevo León, located in northern Mexico, Monterey enjoys a number of logistical advantages, including being a crossroads for expressways and rail lines running all directions throughout Mexico. We mainly provide support to customers doing business close to the U.S. border and in northern Mexico. Even at our offices in Aguascalientes and Durango, we focus on reducing the distance felt with customers and support just-in-time delivery with dedicated electronic part warehouses.



### Regional Recommendations

The building of Mexico's capital, Mexico City, began in the first half of the 14th century by the Aztec Empire, which thrived beginning in the 13th century. When the Aztec Empire's palaces were later destroyed by Spaniards, a Spanish-style city was built that included the famous Zócalo, around which still stand numerous important buildings.

Monterrey is now known as "La Ciudad de las Montañas (the city of the mountains)" for its many peaks and valleys. The word "Monterrey" in Spanish means mountain ("Monte") king ("rey").

Tacos are the thing to eat in Mexico, of course, but the food Monterey is best known for is "steak"! Thick and hearty, the meat is grilled to perfection with rock salt. Put some salsa on it and you get a flavor that is truly indescribable. Eat here just once and you run the risk of never again being satisfied eating anywhere else.

Come experience the heat of Monterey, Mexico, the warmth of its people, and the thickness of its steak.



Zócalo



Monterrey means "Mountain King" in Spanish



Tacos, a quintessential Mexican food



Steak, a Monterey specialty